



Province of the  
**EASTERN CAPE**  
HUMAN SETTLEMENTS

**OFFICE OF THE CHIEF FINANCIAL OFFICER**

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**TERMS OF REFERENCE**

**SCMU11-23/24-025: QEBE/SILINDINI 500 ANTI POVERTY SITES:  
APPOINTMENT OF A WELL- ESTABLISHED TURNKEY CONTRACTOR TO  
CONSTRUCT 150 HOUSES USING CONVENTIONAL BUILDING METHOD IN  
QEBE/SILINDINI 500 (150) HOUSING PROJECTS WITHIN DR AB XUMA LOCAL  
MUNICIPALITY- CHRIS HANI REGION**

**COMPILED FOR:**

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Queenstown,

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## **LIST OF ACRONYMS**

|                |  |
|----------------|--|
| <b>ECDHS</b>   | Eastern Cape Department of Human Settlement                                      |
| <b>RDP</b>     | Reconstruction Development Program   |
| <b>BOQ</b>     | Bill of Quantities   |
| <b>RWG</b>     | Rainwater Goods  |
| <b>COC</b>     | Certificate of Compliance  |
| <b>FURs</b>    | Final Unit Report  |
| <b>EPWP</b>    | Expanded Public Works Program  |
| <b>B-BBEE</b>  | Broad-Based Black Economic Empowerment   |
| <b>DTI</b>     | Department of Trade and Industry   |
| <b>NHBRC</b>   | National Home Builders Regulation Council  |
| <b>GPS</b>     | Global Positioning System  |
| <b>SABS</b>    | South African Bureau of Standards  |
| <b>SANS</b>    | South African National Standards   |
| <b>JBCC</b>    | Joint Building Contracts Committee   |
| <b>JCC</b>     | Joint Contracts committee  |
| <b>VAT</b>     | Value Added Tax  |
| <b>EME</b>     | Exempted micro enterprise  |
| <b>QSE</b>     | Qualifying small enterprise  |
| <b>SBD</b>     | Standard Bidding Document  |
| <b>ECSA</b>    | Engineering Council of South Africa  |
| <b>DPSA</b>    | Department of Public Service and Administration                                  |
| <b>SLA</b>     | Service Level Agreement  |
| <b>CSD</b>     | Central Supplier Database  |
| <b>SACNASP</b> | South African Council For Natural Scientific Professions                         |
| <b>SACPCMP</b> | South African Council For The Project And Construction<br>Management Professions |
| <b>SACQSP</b>  | The SA Council for the Quantity Surveying Profession                             |
| <b>SACPLAN</b> | The South African Council for Planners   |
| <b>SACAP</b>   | South African Council For The Architectural Profession                           |
| <b>HPCSA</b>   | The Health Professions Council Of South Africa                                   |

## 1. BACKGROUND

The Department of Human Settlements is engaged in to improved and accelerate delivery of Low Cost (RDP) houses in the province and to fast track the implementation of these projects. The Department is calling on a Turnkey contractor to undertake implementation of top structures 150 new units in the Chris Hani District as specified in this document.

## 2. PROJECT LOCATION

The project located in Ward 13 which is in the rural areas of Dr AB Xuma Local Municipality in the Chris Hani District.

## 3. PROJECT DESCRIPTION

Project details are as follows: -

*Table 1: Project Details*

| NO.   | AREA/PROJECT NAME                     | LOCAL MUNICIPALITY | DISTRICT MUNICIPALITY | BENEFICIARIES | NO. OF PARTIAL SERVICES |     | NO. OF UNITS |
|-------|---------------------------------------|--------------------|-----------------------|---------------|-------------------------|-----|--------------|
|       |                                       |                    |                       |               | VIP                     | RWG |              |
| 1.    | QEBE/SILINDINI 500 ANTI-POVERTY SITES | DR AB XUMA         | CHRIS HANI            | 150           | 150                     | 150 | 150          |
| TOTAL |                                       |                    |                       |               | 150                     | 150 | 150          |

*Table 2 : Project Information*

| NO. | DESCRIPTION  | STATUS                        | COMMENT   |
|-----|--|-------------------------------|---|
| 1.  | Number of approved beneficiaries                       | Review approved beneficiaries | Turnkey Contractor to be responsible on verification of beneficiaries with assistance from municipality. List is available. |
| 2.  | Environmental Impact Assessment                        | N/A                           | In-situ and it will not be applicable, Exemption letter required  |
| 3.  | Geo-technical Investigation                            | Review                        | To review and adopt Geo Technical Investigation previously done   |
| 4.  | House Plan, Foundation Designs, Water & Sanitation VIP | Review                        | House Plans Available, Turnkey contractor will review and adopt   |

|    |  |             |  |
|----|--|-------------|--|
| 5. | Social facilitation                                | Outstanding | To be done by Turnkey contractor                                 |
| 6. | Monitoring and certification                       | Outstanding | To be done by Turnkey contractor                                 |
| 7. | Occupational Health and Safety Specification       | Outstanding | To be done by Turnkey contractor                                 |
| 8. | NHBRC Home Enrolment                               | Review      | To be done by Turnkey contractor. Competent person be introduced |
| 9. | Site Layout  | Outstanding | To be done by Turnkey contractor                                 |
| 10 | GPS Coordinates per each beneficiary and reporting | Outstanding | To be done by Turnkey contractor                                 |
| 11 | Construction of houses                             | Outstanding | To be done by Turnkey contractor                                 |
| 12 | Close Out Report                                   | Outstanding | To be done by Turnkey contractor                                 |

#### 4. SCOPE OF WORKS

There will be one Turnkey contractor to be appointed in this project for implementation of the project and construction of houses. Beneficiaries will be reviewed in consideration of a plan for construction of 40 m<sup>2</sup> ,45 m<sup>2</sup> houses for a disabled people or a 50 m<sup>2</sup> houses for Military Veterans when the need is identified. (Specification for 45 m<sup>2</sup> and 50 m<sup>2</sup> to be provided later)

The scope of work will entail, Phase 01 - Inception, Phase 02 - Planning and Design and Phase 03 - Construction of house buildings and services.

*Table 3 : Housing Typologies*

| TYPOLOGY            | SIZE              | NO. OF UNITS | COMMENTS   |
|---------------------|-------------------|--------------|--|
| 1. Normal House     | 40 m <sup>2</sup> | 150          | Beneficiaries will be verified accordingly on their qualification. |
| 2. Disabled         | 45 m <sup>2</sup> | -            |  |
| 3. Military Veteran | 50m <sup>2</sup>  | -            |  |

. The work is organized as follows:

##### 4.1. PHASE ONE (1)- INCEPTION PROFESSIONAL SERVICES

This phase involves the assessment of the available information and familiarizes with the scope of works and the project area, identifying risks and constraints with devising plans to mitigate these. This phase entails the following professional

services - the social facilitation, assessing Department's needs and options. Establish project description/ brief including project objectives, priorities, constraints, assumptions, and strategies for Construction of Top Structures (40, 45 and 50m2) with partial services i.e. Rainwater goods and Lined VIP Toilets .

Below are detailed activities under this phase:

- 4.1.1. Attend all necessary meetings; Ad-hock; daily, weekly & monthly e.tc
- 4.1.2. Assessment and auditing of houses that are at various stages of construction;
- 4.1.3. A detailed Project Implementation Plan (PIP) and cash flow for the entire project will have to be prepared;
- 4.1.4. Review all data provided by the Department and the identified outstanding information to be included in the PIP;
- 4.1.5. Inspect the sites and advice on necessary surveys, analyses, tests and or other site investigations where such information will be required for next phase;
- 4.1.6. Review the project scope and visit the site to get familiar with all the details of the project and the possible geographical and logistical challenges. Any risks to the project must be identified and mitigating measures devised;
- 4.1.7. Identify construction project health and safety risk profile;
- 4.1.8. Compile Occupational Health and Safety Specification;
- 4.1.9. Advise on criteria that could influence the project life cycle cost significantly;
- 4.1.10. Advice on rights, constraints, consents, and approvals;
- 4.1.11. Stakeholder engagement through on-going interaction with the Department, Local & District Municipality, and public participation (through Social Facilitation) and
- 4.1.12. Conduct Social Facilitation (a process will run throughout the entire project).

## **4.2. PHASE TWO (2) - PLANNING AND DESIGNS**

This phase entails the following professional services - The continuation of social facilitation, Beneficiary verification / administration, obtaining GPS coordinates for each approved beneficiary stand, (EIA), Review Geotechnical Investigation report, review and adopt available house plan and foundation designs and specifications including National Home Builders Registration Council (NHBRC) Project Enrolment, detailed cost estimates of construction costs and financial viability for Construction of top structures (40, 45 and 50m<sup>2</sup>) with services ( Water & Sanitation). The successful Professional Service Provider will have to perform the following main task during this phase.

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

- 4.2.1. Attend all project related meetings. Ad-hock; daily, weekly & monthly e.tc
- 4.2.2. Continuation of the social facilitation;
- 4.2.3. Review the existing Geotechnical investigation phase 1 & 2 (including ground water protocol) - Geotechnical Investigation must be done as defined in SANS 10400H and guided by the Phase 1 investigation requirements given in the GSFH 2 and SANS 634 requirements. As detailed in the guidance documents, the investigation should be undertaken under the direction of a suitably experienced Competent Person who should design the investigation and give rationale for any deviations from the guidance documents making sure all the relevant general requirements and objectives of a Phase 1&2 report are covered;
- 4.2.4. Review and take ownership of available assessment report done ;
- 4.2.5. Review, adopt and take ownership of existing house plans as to comply with NHBRC and Department's minimum requirements including Norms & Standards;
- 4.2.6. Review, adopt and take ownership of designs on the following as to comply with Department's minimum requirements including Norms & Standards Local Authority minimum requirements.



- 4.2.9.1. Foundation,
  - 4.2.9.2. Infrastructure (Water & Sanitation in form of VIP Toilet or ABT type) and
  - 4.2.9.3. House designs
- 4.2.7. Prepare and evaluate designs and outline specification;
- 4.2.8. Prepare detailed estimate of construction costs;
- 4.2.9. Review designs, drawings, and schedules for compliance with approved budget;
- 4.2.10. Obtain community, Departmental, NHBRC and Local Authority approval of the designs;
- 4.2.11. Issue construction documentation in accordance with the documentation schedule including in the case of structural engineering, reinforcing bending schedules and detailing and specification of structural steel sections and connections;
- 4.2.12. Prepare layout
- 4.2.13. Conduct land survey and pegging;
- 4.2.14. Prepare Home Enrolment documents and submit to Project Manager for NHBRC Enrolment;
- 4.2.15. Ensure compliance with environmental control and Occupational health and safety;
- 4.2.16. Preparation of monthly progress reports detailing progress, challenges, and mitigating measures; and
- 4.2.17. Any other activity, not listed above, required to render the project ready to commence construction.

### **4.3. IMPLEMENTATION**

This phase entails the following professional services and implementation and construction of 150 houses with partial services (Rainwater goods & VIP Toilet)- Contract administration and inspection (manage, administer, monitor the construction contract and processes including preparation and co-ordination of procedures and documentation to facilitate final completion of the works including Principal Agent/ Engineer duties). Construction monitoring level 3 (full time presence on site – as per Engineering Council South Africa (ECSA) guidelines of 2015), Occupational Health and Safety and Environment Management inclusive of the applicable monitoring agents.

The Turnkey contractor will be responsible for the following during this stage:

- 4.3.1** After assessment and auditing some structures might be demolished and site to be cleared.
- 4.3.2** Connection of electricity from old house to join the newly built house including application fees to Eskom / Municipality;
- 4.3.3** Attend all project related meetings;
- 4.3.4** Construction of forty square meter (40m<sup>2</sup>) top structures;
- 4.3.5** Construction of forty-five square meter (45m<sup>2</sup>) unit for disabled (wheelchair bound) with wheelchair ramp and grab rails etc. Where necessary;
- 4.3.6** Provision of VIP Toilets where necessary
- 4.3.7** Monthly progress reporting and Extended Public Works Program (EPWP) reports;
- 4.3.8** Contract administration and inspection including Principal Agent/ Engineer duties (inspect works for conformity to contract documentation prepare pro-active estimates of proposed variations for Department decision making, adjudicate and resolve financial claims and contractual claims by Contractor, prepare schedules of predicted cash flows, witness and review of all tests carried out both on and off site;

- 4.3.9** Construction monitoring level 3 (full time presence on site – as per Government Gazette 38324, Vol 594);
- 4.3.10** Occupational Health and Safety and Environment management inclusive of the applicable monitoring duties;
- 4.3.11** Provide completion certificates of works (services & top structures) from foundations to completions;
- 4.3.12** Occupational Health and Safety and Environment management.
- 4.3.13** Provide completion certificates for all milestones and “Happy Letters”, C.O.C (certificate of compliance) for electrical installation for all completed units and Further engagement with NHBRC to obtain Final Unit Reports (FURs) for all completed units.
- 4.3.14** Handover of houses facilitation.
- 4.3.15** Provide documents for detailed close-out of the project. A comprehensive project close out report.

## **5 MINIMUM SPECIFICATIONS**

### **5.3 GENERAL**

- 5.1.1** All works to be carried out in compliance with the Department of Housing Generic Specifications (GFSH 1 to 11) and the Technical Guidelines as contained in the Housing Code and NHBRC Home Builders Manual;
- 5.1.2** All Department of Labour and Expanded Public Works Program (EPWP) requirements should be met;
- 5.1.3** All works to be done in compliance with the current Health & Safety Regulations;
- 5.1.4** All works must also be done in compliance with all Environmental Regulations; and
- 5.1.5** All relevant Local Authority requirements to be adhered to and relevant permission obtained.
- 5.1.6** The appointed Contractor must submit COVID 19 management plan and regularly report to the Department of any related cases and relevant work recovery intentions thereof.

## **5.2. INFRASTRUCTURE**

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

**5.2.1.** Guidelines for Human Settlements Planning and Design Vol. 1 & 2 (“Redbook”);

**5.2.2.** NHBC Technical Requirements and SANS 10400.

**5.2.3.** Department of Housing Generic Specification, GFSH 08;

## **5.3. VIP TOILETS**

**5.3.1** Must be designed to withstand all weather conditions.

**5.3.2** Top structure floor area must be a minimum of 1m<sup>2</sup> for normal size and minimum 4.8m<sup>2</sup> for disabled; and a minimum internal height of 1.8m;

**5.3.3** Walls must be prefabricated concrete walls that can be disassembled and reassembled with ease (panel sizes must allow assembly without mechanical assistance).

**5.3.4** Top structure must be anchored to the floor.

**5.3.5** Doors must be stainless steel fully galvanized lockable and spring-loaded.

**5.3.6** Roof must be concrete slab.

**5.3.7** Floors must be concrete.

**5.3.8** 200mm black ventilation pipe fixed to the back of the toilet top structure, extending minimum 200mm above the roof (to ventilate the pit);

**5.3.9** Pan with toilet seat.

**5.3.10** Pit to have a minimum volume of 2.2m<sup>3</sup> and to be lined; and

**5.3.11** Pit to be sealed if dictated by the Groundwater Protocol investigation

## **5.4. WATER TANKS:**

**5.4.1.** Must be a minimum size of 2500 liters (SABS approved).

**5.4.2.** Tanks to be seated on a plinth of minimum height of 0.5m.

**5.4.3.** Tank stand must be designed to support the full tank as well as withstand all weather conditions; and

- 5.4.4.** Gutters and downpipes provided to drain the entire roof into the tank and gutters must be fixed to the wall up to the water tank and must be designed to withstand all weather conditions while the tank is empty or full.

## **5.5. TOP STRUCTURE**

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

- 5.5.1.** 2015 revised National Building regulations; South African National Standards (SANS) 10400 XA Energy Usage in Buildings;
- 5.5.2.** All external doors must be SABS approved hardwood such as meranti frame ledged button doors or similar approved doors;
- 5.5.3.** All door locks must be SABS approved with a minimum of five-year guarantee;
- 5.5.4.** SABS approved roof trusses to be used and Roof Covering to be cement roof tiles / Chromodek zinc sheeting.
- 5.5.5.** Smaller size windows and special low clear and opaque safety glass for all window types as prescribed by the engineer or competent person;
- 5.5.6.** Concrete aprons to be provide on all 4 sides with a minimum width of 1000mm including storm water management precautionary measures (as per NHBRC project enrolment requirement);
- 5.5.7.** Fascia's and barge boards to be provided;
- 5.5.8.** House to be plastered and painted both internally and externally;
- 5.5.9.** Installation of a ceiling with the prescribed air gap for the entire dwelling.
- 5.5.10.** Installation of above ceiling insulation comprising a 130mm mineral fibre glass blanket for the entire house;
- 5.5.11.** One work surface to be provided in the kitchen area (minimum length 1m, height 1m and width of 0.5 m) and
- 5.5.12.** Electrification of houses which include installation of a distribution board including plugs and lights to all living areas of the house, as per the current norms and standards.

## 6. PROJECT DELIVERABLES

### 6.1 GENERAL

The scope of works detailed in Section 4 clearly describes the extent of what is expected from the Turnkey contractors. Project deliverables can, however, be summarized as follows:

**6.1.1** Completing the actual construction of Engineering services and top structures as described in the scope of works, including providing FURs, COCs and “Happy Letters”.

## 7. PROPOSAL FORMAT

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

**7.1 ENVELOPE** is to contain a copy of document as a technical and financial Proposal.

### 7.2 FINANCIAL SCHEDULE OF RATES

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

*Table 4: Average Construction Rate for 40m<sup>2</sup> house*

| House typology  | Size              | No. of units | Average cost per unit |
|-----------------|-------------------|--------------|-----------------------|
| 1. Normal House | 40 m <sup>2</sup> | 150          | R 188 855,99          |

**NB:** Estimated budget for construction of these units is estimated at R 188 855,99 rate per unit in consideration of allowances that will cater for extra-ordinary site conditions, double handling, hard rock excavations, topography, clay soils etc.

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

Table 5: Bill of Quantities for construction of 40m2 house

| NO               | ITEM   | UNIT | QTY | RATE     | TOTAL<br>AMOUNT  |
|------------------|--|------|-----|----------|------------------|
| <b>1.</b>        | <b>INCEPTION</b>   |      |     |          |                  |
| 1.1.             | Risk report & mitigation measures  | NO.  | 1   |          |                  |
| 1.2.             | Implementation Plan & Cash flow projections  | NO.  | 1   |          |                  |
| 1.3.             | Beneficiary Verification   | NO.  | 1   |          |                  |
| 1.4.             | Social facilitation  | NO.  | 1   |          |                  |
| 1.5.             | Assessment of available information  | NO.  | 1   |          |                  |
| 1.6.             | Quarterly Cost Analysis Report   | NO.  | 1   |          |                  |
| <b>SUB TOTAL</b> |  |      |     | <b>R</b> | <b>R</b>         |
|                  |  |      |     |          |                  |
| <b>2.</b>        | <b>PLANNING AND DESIGN</b>   |      |     |          |                  |
| 2.1.             | Environmental Impact Assessment  | NO.  | 1   |          | <b>RATE ONLY</b> |
| 2.2.             | Geotechnical Investigation report including ground water protocol): report as per (GSFH2 compliance & SANS 634) to suite rural nature of the project | NO.  | 1   |          |                  |
| 2.3.             | Prepare Project and Home enrolment submission with NHBRC   | NO.  | 1   |          |                  |
| 2.4.             | GPS Co-ordinates   | NO.  | 1   |          |                  |
| 2.5.             | Review, adopt and take ownership of House plan designs and prepare electrical layout   | NO.  | 1   |          |                  |
| 2.6.             | Prepare layout and site plan per erf   | NO.  | 1   |          |                  |

| NO               | ITEM  | UNIT | QTY | RATE     | TOTAL<br>AMOUNT  |
|------------------|---|------|-----|----------|------------------|
| 2.7.             | Review, adopt and take ownership of existing Foundation designs   | NO.  | 1   |          |                  |
| 2.8.             | Review, adopt and take ownership of Water tank stand & VIP Toilets Designs  | NO.  | 1   |          |                  |
| <b>SUB TOTAL</b> |   |      |     | <b>R</b> | <b>R</b>         |
|                  |   |      |     |          |                  |
| <b>3.</b>        | <b>IMPLEMENTATION</b>   |      |     |          |                  |
| 3.1.             | Attend necessary meetings and continuation with the social facilitation process.  | NO   | 1   |          |                  |
| 3.2.             | Foundation/ slab Normal –R,S,C,H  | NO.  | 1   |          | <b>RATE ONLY</b> |
| 3.3.             | Foundation slab-Modified-H2   | NO.  | 1   |          | <b>RATE ONLY</b> |
| 3.4.             | Foundation/ slab – Stiffened – H3   | NO.  | 1   |          |                  |
| 3.5.             | Where Demolishing is necessary and cart away rubble   | NO   | 1   |          |                  |
| 3.6.             | Connection of electricity from old house to join a newly built house including application fees to Eskom / Municipality                   | NO   | 1   |          |                  |
| 3.7.             | <b>Wall plate</b> (Brickwork, doors & frames, windows)  | NO.  | 1   |          |                  |
| 3.8.             | <b>Roof</b> (structure, covering & Beam filling)  | NO.  | 1   |          |                  |
| 3.9.             | <b>Completion</b> (ceiling& insulation, finishing's, Aprons, plastering & painting, Electrical, Joinery, Kitchen cupboard, fascia & barge | NO.  | 1   |          |                  |



| NO  | ITEM   | UNIT | QTY | RATE     | TOTAL<br>AMOUNT |
|---|--|------|-----|----------|-----------------|
|   | boards)  |      |     |          |                 |
| 3.10.   | <b>Partial services</b> (2500L Water tank with stand)                    | NO.  | 1   |          |                 |
| 3.11.   | <b>Partial services</b> (Lined VIP toilet)                               | NO.  | 1   |          |                 |
| 3.12.   | Obtaining of FUR's from NHBRC, Happy letters and completion certificates | NO.  | 1   |          |                 |
| 3.13.   | Monthly progress & EPWP reports  | NO.  | 1   |          |                 |
| 3.14.   | Contract administration and inspection                                   | NO.  | 1   |          |                 |
| 3.15.   | Construction Monitoring Level 3 (Full Time)                              | NO.  | 1   |          |                 |
| 3.16.   | Occupational Health & Safety (Include Health & Safety Officer and Agent) | NO.  | 1   |          |                 |
| 3.17.   | Environmental Management (include Environmental Officer and Agent)       | NO.  | 1   |          |                 |
| 3.18.   | Close out Report   | NO.  | 1   |          |                 |
| <b>SUB TOTAL</b>  |  |      |     | <b>R</b> | <b>R</b>        |
| <b>TOTAL= SUB TOTALS FOR 150 UNITS (RATE PER UNIT X 150 UNITS)</b>              |  |      |     | <b>R</b> |                 |
| <b>TOTAL = SUM OF SUB TOTALS (Carried to FINAL SUMMARY &amp; FORM OF OFFER)</b> |  |      |     | <b>R</b> |                 |

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

|                  |  |     |   |          |           |
|------------------|--|-----|---|----------|-----------|
|                  |  |     |   |          |           |
| <b>2</b>         | <b>PLANNING &amp; DESIGN INCEPTION (45 m<sup>2</sup> House for Disabled) RATE ONLY</b> |     |   |          |           |
| 2.1              | Project and Home enrolment with NHBRC  | NO. | 1 |          | Rate only |
| 2.2              | House Design   | NO. | 1 |          | Rate only |
| 2.3              | Foundation Design  | NO. | 1 |          | Rate only |
| 2.4              | Water tank and Stand Design  | NO. | 1 |          | Rate only |
| 2.5              | VIP toilet and Design  | NO. | 1 |          | Rate only |
| <b>SUB TOTAL</b> |  |     |   | <b>R</b> | <b>R</b>  |
|                  |  |     |   |          |           |
| <b>3</b>         | <b>IMPLEMENTATION (45 m<sup>2</sup> House for Disabled) RATE ONLY</b>                  |     |   |          |           |
| 3.1              | Foundation/ Slab – Normal – R,S,C,H  | NO. | 1 |          | Rate only |
| 3.2              | Foundation/ Slab-Modified – H2   | NO. | 1 |          | Rate only |
| 3.3              | Foundation/ slab – Stiffened – H3  | NO. | 1 |          | Rate only |
| 3.4              | Wall plate   | NO. | 1 |          | Rate only |
| 3.5              | Roof   | NO. | 1 |          | Rate only |
| 3.6              | Completion   | NO. | 1 |          | Rate only |
| 3.7              | Electricity tubing   | NO. | 1 |          | Rate only |
| 3.8              | VIP toilet   | NO. | 1 |          | Rate only |
| 3.9              | Contingency allowance for difficult terrain  | NO. | 1 |          | Rate only |
| 3.10             | Close out Report   | NO. | 1 |          | Rate only |

|                                  |          |          |
|----------------------------------|----------|----------|
| <b>SUBTOTAL</b>                  | <b>R</b> | <b>R</b> |
| <b>TOTAL = SUM OF SUB TOTALS</b> | <b>R</b> | <b>R</b> |

*Table 7 : Bill of quantities for construction of 50m<sup>2</sup> house*

|                  |  |     |          |          |                  |
|------------------|--|-----|----------|----------|------------------|
|                  |  |     |          |          |                  |
| <b>2</b>         | <b>PLANNING &amp; DESIGN INCEPTION (50 m<sup>2</sup> House for military veteran) RATE ONLY</b> |     |          |          |                  |
| 2.1              | Project and Home enrolment with NHBRC  | NO. | 1        |          | <b>Rate only</b> |
| 2.2              | House Design   | NO. | 1        |          | <b>Rate only</b> |
| 2.3              | Foundation Design  | NO. | 1        |          | <b>Rate only</b> |
| 2.4              | Water tank and Stand Design  | NO. | 1        |          | <b>Rate only</b> |
| 2.5              | VIP toilet and Design  | NO. | 1        |          | <b>Rate only</b> |
| <b>SUB TOTAL</b> |  |     | <b>R</b> | <b>R</b> |                  |
|                  |  |     |          |          |                  |
| <b>3</b>         | <b>IMPLEMENTATION (50 m<sup>2</sup> House for military veteran) RATE ONLY</b>                  |     |          |          |                  |
| 3.1              | Foundation/ Slab – Normal – R,S,C,H  | NO. | 1        |          | <b>Rate only</b> |
| 3.2              | Foundation/ Slab-Modified – H2   | NO. | 1        |          | <b>Rate only</b> |
| 3.3              | Foundation/ slab – Stiffened – H3  | NO. | 1        |          | <b>Rate only</b> |
| 3.4              | Wall plate   | NO. | 1        |          | <b>Rate only</b> |
| 3.5              | Roof   | NO. | 1        |          | <b>Rate only</b> |
| 3.6              | Completion   | NO. | 1        |          | <b>Rate only</b> |
| 3.7              | Electricity tubing   | NO. | 1        |          | <b>Rate only</b> |

|  |   |     |   |   |           |
|--|---|-----|---|---|-----------|
| 3.8  | VIP toilet                                  | NO. | 1 |   | Rate only |
| 3.9  | Contingency allowance for difficult terrain | NO. | 1 |   | Rate only |
| 3.10   | Close out Report                            | NO. | 1 |   | Rate only |
| <b>SUBTOTAL</b>  |   |     |   | R | R         |
| <b>TOTAL = SUM OF SUB TOTALS</b>   |   |     |   | R | R         |
| <b>TOTAL = SUM OF SUB TOTALS</b><br><b>(Carried to FINAL SUMMARY &amp; FORM OF OFFER</b> |   |     |   | R |           |

## 8 PRICE GUIDELINES AND PAYMENT MILESTONES

Payment will only be made upon the completion of a house and partial services.

Inception will be paid at enrolment with NHBRC. Payment milestones are as follows:-

*Table 8 : Payment Milestones*

| ITEM | MILESTONE  | UNIT | QUANTITY | PERCENTAGE PRICE GUIDELINE |
|------|--|------|----------|----------------------------|
| 1    | Inception  | No   | 150      | 2%                         |
| 2    | Planning and design  | No   | 150      | 3%                         |
| 3    | Implementation <ul style="list-style-type: none"> <li>Foundation</li> <li>Wall plate</li> <li>Roof</li> <li>Finishes</li> <li>Rainwater Goods &amp; Lined VIP Toilet</li> <li>Completion</li> <li>Close Out</li> </ul> | No   | 150      | 95%                        |

**NB:** A sectional completion plan must be provided as a proposal by the contractor, agreed upon and approved by the Department. A written approval of the sectional completion plan must form part of the contract. The minimum market related rate per unit for this project is **R 188 855,99** and this include all extra ordinary site conditions i.e all Geo Technical site conditions, in consideration of allowances that will cater site conditions, double handling, hard rock excavations, topography, clay soils etc.

## 9 EVALUATION CRITERIA

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

*Table 9 : Stages of Evaluations of Bidders*

| (STAGE 0):<br>Administrative<br>compliance                | (STAGE 1):<br>Functionality<br>Criteria   | (STAGE 2):<br>Price and B-BBEE<br>Evaluation   | (STAGE 3):<br>Risk Assessment  |
|---|---|--|--|
| Bidders must submit all documents as outlined in Table 11 | Bidders must meet all the criteria stipulated under functionality criteria to proceed to Stage 2 (Price and specific goals evaluation). | Bidders will be evaluated in terms of section 5 of the PPPFA 2000, Preferential Procurement Regulations, 2022. | Bidders will be evaluated in terms risk. Bidders that fail to meet the risk criteria will be considered to containing a potential high risk level and will not be considered for appointment |

### 9.1 STAGE 0 – ADMINISTRATIVE COMPLIANCE

**9.1.1** Without limiting the generality of ECDHS's other critical requirements for this Bid, bidders must submit the documents listed in Table 11 below. All documents must be completed and signed by the duly authorised representative of the prospective bidder. During this phase, bidders' response will be evaluated based on compliance with the listed administration and mandatory bid requirements. In case of a Joint Venture/Consortium all parties are expected to submit individual documentation:

*Table 10: Administrative compliance*

| No | Document that must be submitted | Explanatory Information                          |
|----|---------------------------------|--|
| 1  | SBD1: Invitation to tender      | Complete and sign the supplied proforma document |
| 2  | SBD2: Tax clearance certificate | Complete and sign the supplied proforma document |

|    |  |  |
|----|--|--|
| 3  | SBD4: Declaration of interest  | Complete and sign the supplied proforma document   |
| 4  | SBD6.1: Preference points claim form;  | Complete and sign the supplied proforma document   |
| 5  | SBD6.2: Declaration certificate for local production and content for designated sectors and Annexure A | Complete and sign the supplied proforma documents. Evaluation of local production and content  |
| 6  | Bill of quantities and summary & form of offer   | Submit full details of the pricing proposal as per Bill of quantities. Blank spaces will be regarded as incomplete. Should the bidder not charge for the service, the bidder must indicate that with a zero (0). Bidders must complete the entire Pricing Schedule   |
| 7  | National home builders registration council (NHBRC) certificate  | Bidders must submit a valid International NHBRC certificate (certified copy) at closing date. The Department will verify the NHBRC certificate prior/during evaluation. Non compliance will lead to elimination.   |
| 8  | Central supplier Database (CSD) registration   | Service Providers must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered, prior to submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number. Submit CSD printout as proof of registration. |
| 9  | Annexure A: Performance report   | Completed performance reports must be submitted together with the bid proposal, failure to submit will result in non-allocation of points  |
| 10 | Annexure B: Intent to form Joint venture consortium agreement  | The joint venture and/or consortium agreements must clearly set out the shareholding and roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other           |

|  |  |   |
|--|--|---|
|  |  | party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement. A signed agreement will be expected to be submitted prior award of contract. |
|--|--|---|

## **9.1.2 Evaluation for local production and content for designated sectors.**

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

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

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

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

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

**9.1.2.6** The main contractor may not sub contract work to an extent that the local content and production is compromised. The conditions and rules applying

to the main bidder on local production and content also apply to the sub-contractor(s).

**9.1.2.7** For further information, bidders may contact the Steel products and components unit within DTI at 012 394 5157

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

## **9.2 STAGE 1: FUNCTIONALITY EVALUATION**

**9.2.1** In this stage the capabilities of the contractor as well as the professional team will be assessed. Functionality will be scored out of **one hundred and sixty-seven (167) points** where **one hundred (100) points** will be used for **scoring the contractor portion** and **sixty-seven (67) points** will be for **scoring the professional team portion**.

**9.2.2** Bidders should obtain at least **eighty (80) points out of the one hundred (100) points for the contractor portion** and **at least forty-seven (47) points out of sixty-seven (67) points for the professional team portion** on functionality evaluation to qualify for the Price and specific goals evaluation.

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



### 9.3 CRITERIA FOR THE CONTRACTOR PORTION

Table 11: Functionality criteria for construction portion

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

|                     |  |            |
|---------------------|--|------------|
| 3.14                | Site experience of 10 years or more                                  | 5          |
| 3.15                | Site experience from 7 to 9 years                                    | 4          |
| 3.16                | Site experience from 4 to 6 years                                    | 2.5        |
| 3.17                | Site experience of less than 4 years                                 | 1          |
| 3.18                | No site experience   | 0          |
| <b>4.</b>           | <b>FINANCIAL CAPACITY</b>  | <b>30</b>  |
| 4.1                 | Access to a financial facility of at least 10% of the Offered Amount | 30         |
| 4.2                 | Access to a financial facility of 7 to 9% of the Offered Amount      | 25         |
| 4.3                 | Access to a financial facility of 5 to 6% of the Offered Amount      | 15         |
| 4.4                 | Access to a financial facility less than 5% of the Offered Amount    | 5          |
| 4.5                 | No access to a financial facility                                    | 0          |
| <b>TOTAL POINTS</b> |  | <b>100</b> |

### 9.3.1 DESCRIPTION OF CONTRACTOR CRITERIA

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

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

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

#### **9.3.1.4 EXPERIENCE OF NOMINATED ENVIRONMENTAL MANAGEMENT**

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

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

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

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

#### **9.4 CRITERIA FOR THE PROFESSIONAL TEAM PORTION**

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

*Table 12: List of professionals to be considered for evaluation.*

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

#### 9.4.1 RELEVANT EXPERIENCE OF TEAM LEADERS

Table 13: Functionality criteria for Professional team

| NO. | TEAM LEADER EXPERIENCE                             | MAX. POINTS | SCORE FOR YEARS OF EXPERIENCE PER TEAM LEADER |               |             |      |
|-----|--|-------------|---|---------------|-------------|------|
|     |  |             | 20 years +                                    | 10 – 19 years | 5 – 9 years | None |
| 2.1 | *Construction Project Manager (SACPCMP)            | 5           | 5   | 3             | 1           | 0    |
| 2.2 | *Civil and or Structural Engineer (ECSA)           | 5           | 5   | 3             | 1           | 0    |
| 2.3 | *Quantity Surveyor (SACQSP)                        | 5           | 5   | 3             | 1           | 0    |
| 2.4 | *Architect (SACAP)                                 | 5           | 5   | 3             | 0.5         | 0    |
| 2.5 | *Housing Administrator/*Social Scientist (SACNASP) | 2           | 2   | 2             | 0.5         | 0    |
| 2.6 | *Health &Safety Agent (SACPCMP)                    | 2           | 2   | 2             | 0.5         | 0    |
| 2.7 | *Environmental management Agent (HPCSA)            | 2           | 2   | 2             | 0.5         | 0    |
| 2.8 | *None of the above                                 | 0           | 2   | 0             | 0           | 0    |

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

#### 9.4.2 DESCRIPTION OF PROFESSIONAL TEAM CRITERIA

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

**9.4.2.2 PROFESSIONAL REGISTRATION OF TEAM LEADERS WITH AUTHORISED COUNCIL OF S.A.:** This shall be professional registration certificate of team leaders within the identified building disciplines. Copy of professional registration certificate must be attached.

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

Bids which have not scored the required minimum points on functionality will be disqualified at this stage and only qualifying bids will proceed to the evaluation on Price and specific goals evaluation status level of contribution. Turnkey Contractor will not be allowed to change any professionals after evaluation & award without

approval by Department in writing during construction. Shortlisted bidders may be required to make presentations to the Department.

## **9.5 STAGE 2: PRICE AND PRICE AND SPECIFIC GOALS EVALUATION EVALUATION**

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

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

**9.5.3** Regulation 5 and 6 stipulates that the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

### **THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

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

Where

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

#### 9.5.4 POINTS AWARDED FOR SPECIFIC GOALS

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

*Table 12: Specific goals allocated points*

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

#### 9.5.5 CLAIMING OF PREFERENCE POINTS

**9.5.5.1** Preference points allocated for women may be claimed if there is sufficient evidence that such woman has ownership of 51% or more of the enterprise shareholding. Bidders must submit proof in a form of valid Central Supplier Database (CSD) supplier profile that outlines the ownership of the organisation.

**9.5.5.2** Preference points allocated for persons with disabilities may only be claimed if there is sufficient evidence that such person has ownership of

Partner and the joint venture and/or consortium party. Failure to submit shareholding will result in non-allocation of points

## **10 OBJECTIVE CRITERIA**

**10.1** The Department reserves the right not to appoint the highest scoring bidder, in a case where the bidder has quoted below the minimum market related price of **R 188 855,99**. The market related price includes all extra ordinary development site conditions i.e. all Geo Technical site conditions, in consideration of allowances that will cater for extra-ordinary site conditions, double handling, hard rock excavations, topography, clay soils etc.

**10.2** Risk analysis:

**10.2.1.1** The Department has the right to conduct a risk analysis on shortlisted bidders including verification through contractors site visit and conduction of loco inspection. The loco inspection will be conducted for verification of:

**10.2.1.2** Plant and equipment

**10.2.1.3** Completed projects (site visits)

**10.2.1.4** Personnel

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

**10.2.3** The risk analysis will be conducted on the bidder's quality of work and performance on previous completed projects not older than five (05) years starting from 2018 to the date of advert of the bid. Bidders must submit all three (03) documents listed below on **Table 13** for each project to be assessed for risk. Failure to submit all documents will result in non-allocation of points:



*Table 13: Document that must be submitted for risk analysis*

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

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

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

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

**10.2.7** Risk assessment scorecard

**10.2.7.1** The risk assessment score card will focus on the following risk factors.

10.2.7.1.1 Performance on pervious projects.

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

**10.2.7.2** Risk will be assessed through scoring risk levels as below:

10.2.7.2.1 Poor = 04 points

10.2.7.2.2 Fair = 03 points

10.2.7.2.3 Good = 02 points

10.2.7.2.4 Excellent = 01 points

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

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

*Table 14: Risk assessment scorecard*

| RISK ASSESSMENT SCORECARD |   |  |  |
|---------------------------|---|--|--|
| Risk level                | Risk description  | Performance on previous project  | Quality  |
| <b>4 – Poor</b>           | Risk that will have a severe impact on achieving desired results to the extent that one or more of its critical outcome objectives will not be achieved | Project not completed <b>181 days or more past</b> the stipulated time frames. | Project completed/not completed with outstanding compliance issues |
| <b>3 – Fair</b>           | Risk that will have a significant impact  | Project completed within   | Project completed with   |

|                      |   |  |   |
|----------------------|---|--|---|
|                      | on achieving desired results, to the extent that one or more stated outcome objectives will fall below acceptable levels.   | <b>91 to 180 days past</b> the stipulated time frames.                   | partially resolved compliance issues                    |
| <b>2 - Good</b>      | Risk that will have a Moderate impact on achieving desired results, to the extent that one or more stated outcomes objectives will fall below goals but above minimum acceptable levels | Project completed within <b>90 days past</b> the stipulated time frames. | Project completed with minor resolved compliance issues |
| <b>1 - Excellent</b> | Risk has little or no impact on achieving outcome objectives  | Project completed within the stipulated time frames.                     | Project completed with no outstanding compliance issues |

- 10.2.8** Where the highest point scorer declines the appointment, the second highest point scorer will be considered, and if the second highest scorer declines the appointment the third highest point scorer will be considered and if the third highest points scorer declines the bid will be cancelled and re-advertised.
- 10.2.9** The Department will not negotiate a price higher than that quoted by the bidder.
- 10.2.10** The minimum market related amount of ***R 188 855,99 per unit*** will be utilized as the minimum related price.
- 10.2.11** If the price offered by a tenderer scoring the highest points is above the market related price,
- 10.2.12** The Department may
- 10.2.12.1** Negotiate a market-related price with the tenderer scoring the highest points;
- 10.2.12.2** If the tenderer scoring the highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points;
- 10.2.12.3** If the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points and if the third highest points scorer does not agree to a market related price the bid will be cancelled and re-advertised.
- 10.2.13** In an event where the Department has advertised more than one (01) tender on a single notice, the highest scoring bidder will be awarded one tender of the tenders advertised. If a single bidder has scored the highest points on multiple tenders the Department will enter into negotiations with the

bidder to give waiver to award the second highest scoring bidder up to the third highest points scorer.

## **11 LEGALITIES OF CONTRACT AND TENDER RULES**

### **11.1 GENERAL CONDITIONS OF CONTRACT**

**11.1.1** The JBCC and Funding Agreement shall apply.

### **11.2 SPECIFIC CONDITIONS OF THE CONTRACT**

Special Conditions that apply to this contract are as follows:

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

## **12 DURATION OF THE PROJECT**

The duration of the project (Implementation) is expected to be for period of Twenty-Four (24) months.

## **13 RETURNABLE SCHEDULES**

The Turnkey Contractor must ensure that the following documents are completed and returned with the bid proposal:

- 13.1** SBD 1: INVITATION TO TENDER.
- 13.2** SBD 2: TAX CLEARANCE CERTIFICATE.
- 13.3** SBD 4: DECLARATION OF INTEREST.
- 13.4** SBD 6.1: PREFERENCE POINTS CLAIM FORM.
- 13.5** SBD 6.2: DECLARATION CERTIFICATE FOR LOCAL  
PRODUCTION AND CONTENT FOR DESIGNATED  
SECTORS.
- 13.6** FINAL SUMMARY & FORM OF OFFER.

## **14 COLLECTION OF BID DOCUMENTS**

Bid documents will be available from the **18 AUGUST 2023** on the on Departmental website ([www.ecdhs.gov.za](http://www.ecdhs.gov.za)).

## **15 SUBMISSION OF BID PROPOSALS**

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

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

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

**15.4** Bid proposals must be submitted in a sealed envelope clearly marked with bidders' details as follows:

**SCMU11-23/24-025: QEBE/SILINDINI 500 ANTI POVERTY SITES: APPOINTMENT OF A WELL- ESTABLISHED TURNKEY CONTRACTOR THROUGH OPEN TENDER TO CONSTRUCT 150 HOUSES USING CONVENTIONAL BUILDING METHOD IN QEBE/SILINDINI 500 (150) HOUSING PROJECTS WITHIN DR AB XUMA LOCAL MUNICIPALITY-CHRIS HANI REGION**

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

## **16 BID VALIDITY**

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

## **17 COMPULSORY BRIEFING**

Compulsory Briefing session on the Bid will be held on the **01 SEPTEMBER 2023** at **11h00** converging at Dr A.B. Xuma Local Municipality situated at 58 Union Street , Engcobo to be followed by project site visit .

## **18 CLOSING DATE**

All bid proposals in response to this bid should reach the Department not later than the **18 SEPTEMBER 2023 at 11H00**. Bids received after 11H00 will not be accepted and considered.

## 19 CONTACT DETAILS ON TERMS OF REFERENCE

All **Technical enquiries** regarding this bid may be directed to:

Mr. S Sithole: Chief Construction Project Manager – Department of Human Settlements, Chris Hani Regional Office

Cell: 079 882 2203

Email: [SamS@ecdhs.gov.za](mailto:SamS@ecdhs.gov.za)

All **Supply Chain Management** related enquiries regarding this bid may be directed to:

Mr. Xolile Mpupa: Deputy Director – Demand Management; Department of Human Settlements, **EAST LONDON**

Cell: 074 142 4781

Tel: (043) 711 9641

E-mail: [xolilem@ecdhs.gov.za](mailto:xolilem@ecdhs.gov.za)



SCMU11-23/24-025: QEBE/SILINDINI 500 ANTI POVERTY SITES:  
APPOINTMENT OF A WELL- ESTABLISHED TURNKEY CONTRACTOR  
THROUGH OPEN TENDER TO CONSTRUCT 150 HOUSES USING  
CONVENTIONAL BUILDING METHOD IN QEBE/SILINDINI 500 (150) HOUSING  
PROJECTS WITHIN DR AB XUMA LOCAL MUNICIPALITY-CHRIS HANI REGION

RECOMMENDED/NOT RECOMMENDED



MR B PANDA

DIRECTOR: CHRIS HANI REGION

DATE: 11/08/2023

RECOMMENDED/~~NOT RECOMMENDED~~



CHAIRPERSON

BID SPECIFICATION COMMITTEE

14 August 2023

DATE:

APPROVED/~~NOT APPROVED~~



MS. T. POSWA

HEAD OF DEPARTMENT

15/08/2023

DATE:

## 20 FINAL SUMMARY AND FORM OF OFFER

Table 15 : FINAL SUMMARY AND FORM OF OFFER

| FINAL SUMMARY & FORM OF OFFER |  |        |
|-------------------------------|--|--------|
| NO.                           | ITEM   | AMOUNT |
| 1.                            | Inception for activities of 40 m <sup>2</sup> )            | R      |
| 2.                            | Planning and Designs for activities of 40 m <sup>2</sup> ) | R      |
| 3.                            | 150 houses and (Partial) services                          | R      |
| GRAND TOTAL                   |  | R      |
| TOTAL ABOVE IN WORDS          |  |        |

SIGNED BY/ON BEHALF OF THE BIDDER

NAME

SIGNATURE

DATE

COMPANY STAMP

## 21 ANNEXURE A

# PERFORMANCE REPORT

## CONFIDENTIAL

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

### Contract Details

Contract No:

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

### Contractor Details

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

### Reference's Details

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

## Performance Report

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

Definition and Relative Weighting of Grading

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

Overall Comments on Performance

*Reference's opinion*

I have attached further information ☐

SIGNED BY/ON BEHALF OF THE CLIENT

NAME

SIGNATURE

DATE

COMPANY STAMP

## 22 ANNEXURE B:

# INTENT TO FORM JOINT VENTURE/ CONSORTIUM

### PREAMBLE

This agreement is made and entered into by and between

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

of the first part and

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

of the second part.

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

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

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

Eastern Cape Department of Human Settlements

for (brief description of Contract)

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

### Shareholdings for each JV/Consortium Members

| Members | Shareholding | Signature of representative |
|---------|--------------|-----------------------------|
|         |              |                             |
|         |              |                             |
|         |              |                             |

## PART A INVITATION TO BID

| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HUMAN SETTLEMENTS  |  |  |  |  |         |
|--|--|--|--|--|---------|
| BID NUMBER:  | SCMU11-23/24-025   | CLOSING DATE:  | 18 September 2023                                | CLOSING TIME:  | 11H00   |
| DESCRIPTION  | QEBE/SILINDINI 500 ANTI POVERTY SITES: APPOINTMENT OF A WELL ESTABLISHED TURNKEY CONTRACTOR TO CONSTRUCT 150 HOUSES USING CONVENTIONAL BUILDING METHOD IN QEBE/SILINDINI 500 (150) HOUSING PROJECTS WITHIN DR AB XUMA LOCAL MUNICIPALITY- CHRIS HANI REGION. |  |  |  |         |
| <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>  |  |  |  |  |         |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT   |  |  |  |  |         |
| <b>DEPARTMENT OF HUMAN SETTLEMENTS</b>   |  |  |  |  |         |
| 31-33 PHILLIP FRAME ROAD, STEVE TSHWETE BUILDING, GROUND FLOOR   |  |  |  |  |         |
| WAVERLY PARK   |  |  |  |  |         |
| EAST LONDON  |  |  |  |  |         |
| <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 REGISTRATION NUMBER  |  |  |  |  |         |
|  |  |  |  |  |         |
|  |  | TCS PIN:   |  | OR   | CSD No: |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE<br>[TICK APPLICABLE BOX]  |  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No  |  | B-BBEE STATUS LEVEL SWORN AFFIDAVIT<br><input type="checkbox"/> Yes<br><input type="checkbox"/> No   |         |
| IF YES, WHO WAS THE CERTIFICATE ISSUED BY?   |  |  |  |  |         |
| AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX   |  | <input type="checkbox"/> AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)<br><input type="checkbox"/> A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)<br><input type="checkbox"/> A REGISTERED AUDITOR<br>NAME: |  |  |         |
| <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<br>[IF YES ENCLOSE PROOF]   |  | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?<br><input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ANSWER PART B:3 BELOW] |         |
| SIGNATURE OF BIDDER  |  | DATE   |  |  |         |
| CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)   |  |  |  |  |         |
| TOTAL NUMBER OF ITEMS OFFERED  |  | TOTAL BID PRICE (ALL INCLUSIVE)  |  |  |         |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>   |  |  | <b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b> |  |         |
| DEPARTMENT OF HUMAN SETTLEMENTS  |  | CONTACT PERSON   |  | Mr. S Sithole  |         |
| CONTACT PERSON   |  | Mr. Xolile Mpupa   |  | TELEPHONE NUMBER   |         |
| TELEPHONE NUMBER   |  | 043 711 9641/074 142 4781  |  | FACSIMILE NUMBER   |         |
| FACSIMILE NUMBER   |  | N/A  |  | E-MAIL ADDRESS   |         |
|  |  |  |  | N/A  |         |
|  |  |  |  | SamS@ecdhs.gov.za  |         |

|                |                      |  |
|----------------|----------------------|--|
| E-MAIL ADDRESS | xolilem@ecdhs.gov.za |  |
|----------------|----------------------|--|

## PART B

### TERMS AND CONDITIONS FOR BIDDING

#### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

#### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

#### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- |  |  |
|--|--|
| 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?                       | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?      | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?           | <input type="checkbox"/> YES <input type="checkbox"/> NO |

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

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



## TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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



TAX CLEARANCE

TCC 001

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

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

|  |
|--|
|  |
|  |

**Particulars of applicant**

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

**Particulars of representative (Public Officer/Trustee/Partner)**

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

Tender number

Estimated Tender amount R

Expected duration of the tender  year(s)

Particulars of the 3 largest contracts previously awarded

| Date started | Date finalised | Principal | Contact person | Telephone number | Amount |
|--------------|----------------|-----------|----------------|------------------|--------|
|              |                |           |                |                  |        |
|              |                |           |                |                  |        |
|              |                |           |                |                  |        |

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

If "YES" provide details

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

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

Signature of representative/agent

Date

Name of representative/agent

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

Signature of applicant/Public Officer

Date

Name of applicant/  
Public Officer

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
  - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
  - (b) without just cause shown by him, refuses or neglects to-
    - (i) furnish, produce or make available any information, documents or things;
    - (ii) reply to or answer truly and fully, any questions put to him ...As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling 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

<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.

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

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### 3 **DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or 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.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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<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.

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

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

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

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

.....  
Signature Date

.....  
Position Name of bidder

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

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

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

### 1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

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

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

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

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

The maximum points for this tender are allocated as follows:

|  | POINTS     | POINTS     |
|--|------------|------------|
| <b>PRICE</b>                                     | <b>80</b>  | <b>90</b>  |
| <b>SPECIFIC GOALS</b>                            | <b>20</b>  | <b>10</b>  |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</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:

##### 80/20

$$Ps = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

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:

$$Ps = 80 \left( 1 + \frac{80/20 \cdot Pt - P_{max}}{P_{max}} \right)$$

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.**

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

#### DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

- The information furnished is true and correct;
- The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- 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;
- If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

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

## DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

### 1. General Conditions

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

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

Where

x is the imported content in Rand

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

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

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

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

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

| <u>Description of services, works or goods</u> | <u>Stipulated minimum threshold</u> |
|--|-------------------------------------|
| _____  | _____ %                             |
| _____  | _____ %                             |
| _____  | _____ %                             |

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

(Tick applicable box)

|     |  |    |  |
|-----|--|----|--|
| YES |  | NO |  |
|-----|--|----|--|

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

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

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

| <b>Currency</b> | <b>Rates of exchange</b> |
|-----------------|--------------------------|
| US Dollar       |                          |
| Pound Sterling  |                          |
| Euro            |                          |
| Yen             |                          |
| Other           |                          |

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

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

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

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

**IN RESPECT OF BID NO. ....**

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

.....

NB

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

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

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

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

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

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

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

Local Content Declaration - Summary Schedule

|      | Tender No.                |
|------|---------------------------|
| (c1) | Tender descriptions:      |
| (c2) | Designated products)      |
| (c3) | Tender Authority:         |
| (c4) | Tendering Entity name:    |
| (c5) | Tender Exchange Rate:     |
| (c6) | Specified local content % |

**STEEL PRODUCTS PLASTIC PIPES AND FITTINGS 100%  
DEPARTMENT OF HUMAN SETTLEMENTS**

**செப**

| Tender Item no's |                                  | Unit of Items | Tender price:-<br>each<br>(incl VAT) | Exempted<br>Imported<br>value | Tender value<br>net of<br>exempted<br>Imported<br>consent | Imported<br>value | Local value | Local<br>content %<br>(per Item) |
|------------------|----------------------------------|---------------|--------------------------------------|-------------------------------|---|-------------------|-------------|----------------------------------|
| (C1)             | (C2)                             |               | (C3)                                 | (C4)                          | (C5)  | (C6)              | (C7)        | (C8)                             |
| 1                | Reinforcing bars                 |               |                                      |                               |   |                   |             |                                  |
| 2                | Steel Joist/ Channel/ components |               |                                      |                               |   |                   |             |                                  |
| 3                | Door and Window Frames           |               |                                      |                               |   |                   |             |                                  |
| 4                | Roof Trusses                     |               |                                      |                               |   |                   |             |                                  |
| 5                | Plastic Pipes and Fittings       |               |                                      |                               |   |                   |             |                                  |

**Post:**

Calculation of fiscal control

[illegible]

R.O. (20) Total Estimated Income:

**(C22) Total Exempt Imported content**  
**(C23) Total Tender value net of exempt imported content**

(23) Total Important

**(24) Total local content:**

... **average total content % of binder**



# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

July 2010

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- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the

supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

## **4. Standards**

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

## **5. Use of contract documents and information inspection**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall

weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

**10. Delivery and documents**

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

**11. Insurance**

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

**12. Transportation**

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

**13. Incidental Services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

**14. Spare parts**

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
- (b) in the event of termination of production of the spare parts:
  - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

**15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

**17. Prices**

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

**18. Variation orders**

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

**19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

**20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

**21. Delays in the supplier's performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.



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- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person; and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
  - (ii) the date of commencement of the restriction
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

- 23.7 . If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

**24. Anti-dumping and countervailing duties and rights**

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

**25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

**28. Limitation of Liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

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

**30. Applicable law**

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

**31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

**33. Transfer of contracts**

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

**34. Amendment of contracts**

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

**35. Prohibition of restrictive practices**

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.