



REQUEST FOR QUOTATION (RFQ)

To: Service Providers

Tel: 011 544 1000

Email: Procurement@thehda.co.za

Attention: Njabulo Hlongwane

From: Njabulo Hlongwane
Supply Chain Management
Njabulo.Hlongwane@thehda.co.za

Tel. no.: 011 544-1000

RFQ
Reference: RFQ/JHB/2022/033

Subject: Appointment of an Accounting Firm to Perform Financial Review and Advice

A quotation(s) **MUST** be emailed to Procurement@thehda.co.za

Closing Date: 30 JANUARY 2023

Closing Time: 11H00

Quotation(s) must be addressed to THE SCM Department HEAD OFFICE before the closing date and time shown above.

SUPPLIER TO NOTE:

- A) ALL QUOTATIONS MUST ONLY BE EMAILED TO THE E-MAIL ADDRESS PROVIDED ABOVE
- B) THE HDA CONDITIONS OF PURCHASE WILL APPLY
- C) LATE / INCOMPLETE QUOTATIONS WILL NOT BE CONSIDERED

ITEM NO.	DESCRIPTION	QTY	Unit of Measure	UNIT PRICE (EXCL. VAT)	TOTAL PRICE (INCL. VAT)
	Please see attached scope of work/Terms of Reference and Pricing Schedule				

EVALUATION CRITERIA

The evaluation of Quotations is to determine whether the Bidder is capable of delivering the Goods/Services and works. Bidders will be evaluated according to the following Evaluation Criteria:

Stage1- Adherence to Compliance checklist requirements,

Stage 2= Mandatory Functionality/Technical Compliance;

stage3: Price and B-BBEE

Evaluation criteria	Weighting
Mandatory Functionality/Technical Compliance	
BBBEE	20
Price	80
TOTAL	100

Price Evaluation: The evaluation for price will be done based on the following formula:

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

Where

PS = Points scored for price of tender under consideration

Pt = Rand value of offer tender consideration

Pmin = Rand value of lowest acceptable tender

B-BBEE Evaluation: A bidder must submit proof of its B-BBEE status level contributor, a bidder failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified and will score 0 points out of 20 for B-BBEE.

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-complaint contributor	0

DELIVERY PERIOD: Suppliers are requested to offer their earliest delivery period possible.

Delivery will be effected within working days from date of order. (To be completed by Service provider)

REQUEST FOR QUOTATION

VALIDITY PERIOD: THE HDA desires a validity period up to **30 days** against this Quotation. It should be noted that suppliers may offer an earlier validity period, but that their quotation may in that event, be disregarded for this reason.

This Quotation is valid until (To be completed by Supplier)

YOUR REFERENCE:

PAYMENT:

Payment will be made upon completion of the works within 30 day from date of receipt of a correct tax invoice.

NB: Compliance Checklist Requirements for all Services/Goods and works

If you do not submit the following documents your Proposal/Quote will be disqualified automatically:

No.	Description of requirement	
a)	Completion of All Standard Bidding Document (SBD1, SBD 4 and 6	
b)	CSD supplier registration number for verification checks	
c)	CIDB (where applicable)	
d)	Mandatory Technical/ Functional Requirements	
e)	The bidder must submit proof of registration with SAICA (South African Institute of Chartered Accountants) as a qualified Chartered Accountant	
	Public Accountants and Auditors Board (PAAB)	

If the bidder does not submit the following documents, the bid will be considered non-compliant and these documents must be made available should an award be made.

No.	Description of requirement	
a.	Original or certified B-BBEE certificate	
e.	Joint Venture / Consortium agreement / Trust Deed (if applicable)	

NOTE:

Non-submission of information which will support Technical/**functional requirement will be disqualified.**

Non-submission of B-BBEE certificate will result in non-allocation of B-BBEE points.

Name and Address of Supplier:

..... Tel no.:
 Fax no.:
 Contact signature:.....

THE HDA GENERAL CONDITIONS OF PURCHASE

General

THE HDA and the Supplier enter into an order/contract on these conditions to supply the items (goods/services/works) as described in the order/contract.

Conditions

These conditions form the basis of the contract between THE HDA and the Supplier. Notwithstanding anything to the contrary in any document issued or sent by the Supplier, these conditions apply except as expressly agreed in writing by THE HDA. No servant or agent of THE HDA has authority to vary these conditions orally. These general conditions of purchase are subject to such further special conditions as may be prescribed in writing by THE HDA in the order/contract.

Price and payment

The price or rates for the items stated in the order/contract may include an amount for price adjustment, which is calculated in accordance with the formula stated in the order/contract. The Supplier may be paid in one currency other than South African Rand. Only one exchange rate is used to convert from this currency to South African Rand. Payment to the Supplier in this currency other than South African Rand, does not exceed the amounts stated in the order/contract. THE HDA pays for the item within 30 days of receipt of the Suppliers correct tax invoice.

Delivery and documents

The Supplier's obligation is to deliver the items on or before the date stated in the order/contract. Late deliveries or late completion of the items may be subject to a penalty if this is imposed in the order/contract. No payment is made if the Supplier does not provide the item as stated in order/contract.

Where items are to be delivered the Supplier:

Clearly marks the outside of each consignment or package with the Supplier's name and full details of the destination in accordance with the order and includes a packing note stating the contents thereof; On dispatch of each consignment, sends to THE HDA at the address for delivery of the items, an advice note specifying the means of transport, weight, number of volume as appropriate and the point and date of dispatch; Sends to THE HDA a detailed priced invoice as soon as is reasonably practical after dispatch of the items, and states on all communications in respect of the order the order number and code number (if any).

Containers / packing material

Unless otherwise stated in the order/contract, no payment is made for containers or packing materials or return to the Supplier.

Title and risk

Without prejudice to rights of rejection under these conditions, title to and risk in the items passes to THE HDA when accepted by THE HDA.

Rejection

If the Supplier fails to comply with his obligations under the order/contract, THE HDA may reject any part of the items by giving written notice to the Supplier specifying the reason for rejection and whether and within what period replacement of items or re-work are required.

In the case of items delivered, THE HDA may return the rejected items to the Supplier at the Supplier's risk and expense. Any money paid to the Supplier in respect of the items not replaced within the time required, together with the costs of returning rejected items to the Supplier and obtaining replacement items from a third party, are paid by the Supplier to THE HDA.

In the case of service, the Supplier corrects non-conformances as indicated by THE HDA.

Warranty

Without prejudice to any other rights of THE HDA under these conditions, the Supplier warrants that the items are in accordance with THE HDA's requirements, and fit for the purpose for which they are intended, and will remain free from defects for a period of one year (unless another period is stated in the Order) from acceptance of the items by THE HDA.

Indemnity

The Supplier indemnifies THE HDA against all actions, suits, claims, demands, costs, charges and expenses arising in connection therewith arising from the negligence, infringement of intellectual or legal rights or breach of statutory duty of the Supplier, his subcontractors, agents or servants, or from the Supplier's defective design, materials or workmanship.

The Supplier indemnifies THE HDA against claims, proceedings, compensation and costs payable arising out of infringement by the Supplier of the rights of others, except an infringement which arose out of the use by the Supplier of things provided by THE HDA.

Assignment and subcontracting

The Supplier may not assign or subcontract any part of this order/contract without the written consent of THE HDA.

Termination

THE HDA may terminate the order/contract at any time (without prejudice to any right of action or remedy which has accrued or thereafter accrues to THE HDA):

If the Supplier defaults in due performance of the order/contract, or if the Supplier becomes bankrupt or otherwise is, in the opinion of THE HDA, in such financial circumstances as to prejudice the proper performance of the order/contract, or for any other reason in which case the Supplier will be compensated for all costs incurred.

Governing law

The order/contract is governed by the law of the Republic of South Africa and the parties hereby submit to the non-exclusive jurisdiction of the South African courts.

THE HOUSING DEVELOPMENT AGENCY



TERMS OF REFERENCES

RFQ NO.: RFQ/JHB/2022/033

APPOINTMENT OF AN ACCOUNTING FIRM TO PERFORM FINANCIAL REVIEW FOR A PERIOD OF 8 MONTHS

RFQ RELATED ENQUIRIES
HDA HEAD OFFICE Mr. Njabulo Hlongwane THE HOUSING DEVELOPMENT AGENCY BLOCK B, SECOND FLOOR MEGAWATT PARK 1 MAXWELL DRIVE SUNNINGHILL GAUTENG 2157 Tel: (011) 544 1000 Njabulo.Hlongwane@thhda.co.za

1. INTRODUCTION

The Housing Development Agency (HDA) is a national public development agency established by an Act of Parliament (Act 23 of 2008). The HDA promotes sustainable communities by making well-located land and buildings available for the development of housing and human settlements. As an organ of state, the HDA is accountable through its Board to the Minister of Human Settlements. Visit www.thehda.co.za for more information.

2. BACKGROUND

The HDA (Agency) was enacted in terms of the HDA Act 23, 2008 Section 7 of the ACT requests for the Agency to as project managers, to hold and release land on behalf of the Provinces and Municipalities, among other responsibilities. The Agency has, over the past few years, received audit findings which mostly emanates from disclosures in the financial statements, application of GRAP statement and accounting policies.

3. DELIVERABLES

The Agency needs an accounting firm to review and advise on the following:

- Analysis of the Agency nature of business in relation to the finance environment.
- Analysis and review of the accounting transaction in the books of the Agency in compliance with GRAP Standards.
- Ensure compliance with applicable laws, PFMA and other relevant regulations on the reports generated, including annual financial statements.
- Review of the quarterly financial statements and annual financial statements.
- Ensure that all financial statements are supported by schedules and valid supporting documents.
- Ensure skill transfer is implemented in the office of the CFO

4. MANDATORY TECHNICAL/ FUNCTIONAL REQUIREMENTS

The Mandatory / Technical evaluation criteria will be based on the following requirements:

- Technical / Functional Mandatory (Comply or Not Comply) – Bidders who do not meet the mandatory requirement will be disqualified. Please mark the appropriate box.

4.1 Technical Mandatory requirement

Note: The following specific requirements must be met by the bidders and it will be expected of bidders to supply proof or confirm their commitment where applicable.

4.1.1 Mandatory

Technical / Functional Requirement	Comply	Not Comply
The Bidder must have 3 – 5 years' experience in public entity audits through reference. • The bidder must submit a minimum of four (4) completed questionnaire (see attached annexure A) by previous clients where the bidder conducted audits in the last three (3) years.		
Substantiate / Comments:		
Ability to Interpret GRAP Reporting Standards for AFS Preparation for a Public Entity • By ticking that the bidder comply, the bidder is confirming that the possess the required skill/ability to render the service as required. • The bidder to supply the HDA with a company profile that demonstrating the required experience and skills.		
Substantiate / Comments		
Ability to Review, Enhance and Recommend Internal Control Improvements for a Public Entity • By ticking that the bidder comply, the bidder is confirming that the possess the required skill/ability to render the service as required. • The bidder to supply the HDA with a company profile that demonstrating where these services were rendered.		
Substantiate / Comments		

Technical / Functional Requirement	Comply	Not Comply
Key Personnel Qualification and Experience Submit proposed team structure and their CV's • Submit CV of the Team Lead who is a qualified CA/RGA (submit SAICA/RGA MEMBERSHIP). The CV of the lead should demonstrate relevant experience in the public entity sector audit. The lead must have five (5) years or more experience. • Submit a CV of the team demonstrating years of experience and qualification, which should be not less than 3 – 5 years' experience in public entity audit.		
Substantiate / Comments		
Submit methodology of transferring of skills plan which includes time lines		
Substantiate / Comments		

ANNEXURE A – EXPERIENCE OF THE BIDDER

Dear Client

The HDA has advertised an RFQ for Appointment of an Accounting Firm to Perform Financial Review with RFQ reference number: RFQ/JHB/2022/032

Please would you kindly assist the bidder in completing this Reference Questionnaire for Accounting services, which only has two (2) questions.

NB - This questionnaire, must only be completed by a client whom the bidder previously or currently rendered OR is rendering Accounting Services.

Annexure A must be completed on the client's company letterhead OR completed on Annexure A as provided on the The HDA letterhead and apply your company stamp.

Name of Service Provider (Bidder): _____

Name of the Client: _____

Contact details email (Client): _____

Contact details telephone (Client): _____

Contract Start Date: _____

Contract End Date: _____

Client Company Stamp: _____

1. Experience for the Firm in Performing Financial Review

A) Did the firm perform financial review for your company - **yes / no**

Comments:

.....

B) How longer was the contract?

Start date: _____

End date: _____

Comments:

.....

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)

BID NUMBER: RFQ/JHB/2022/033 CLOSING DATE: 30 JANUARY 2023 CLOSING TIME: 11H00

DESCRIPTION **Appointment of an Accounting Firm to Perform Financial Review and Advice**

BID RESPONSE DOCUMENTS MAY BE EMAILED TO:

Procurement@thehda.co.za

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

CONTACT PERSON		CONTACT PERSON	
TELEPHONE NUMBER		TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS		E-MAIL ADDRESS	

SUPPLIER INFORMATION

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
---	--	--	--

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? NO	☐ YES ☐
DOES THE ENTITY HAVE A BRANCH IN THE RSA? NO	☐ YES ☐
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? NO	☐ YES ☐
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐

NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐ YES ☐

NO

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

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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: RFQ/JHB/2022/032

CLOSING TIME 11:00

CLOSING DATE: 30 JANUARY 2022

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
------------	-------------	--

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

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

5. Period required for commencement with project after acceptance of bid

.....

Any enquiries regarding bidding procedures may be directed to the –

Njabulo Hlongwane

Email: Njabulo.Hlongwane@thehda.co.za

Tel:

Or for technical information –

Moses Mokhine

Email: Moses.Mokhine@thehda.co.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of institution	State

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

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

related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

(delete whichever is not applicable for this tender).

- a) 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
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean

that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system)	Number of points allocated (80/20 system)	Number of points claimed (90/10 system)	Number of points claimed (80/20 system)

	(To be completed by the organ of state)	(To be completed by the organ of state)	(To be completed by the tenderer)	(To be completed by the tenderer)

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

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

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....