NSG/BID/05/2024/2025

TRAVEL MANAGEMENT SERVICES TO THE NATIONAL SCHOOL OF GOVERNMENT (NSG) FOR A PERIOD OF THIRTY-SIX (36) MONTHS

BIDDING DOCUMENT

SBD 1	Invitation to Bid
Annexure A.1	Terms of Reference
Annexure A.1.1	NSG Travel Policy
Annexure A.1.2	Interim Travel Guidelines
Annexure A.2	Technical Evaluation Criteria
Annexure A.3	Pricing Schedule
SLI	Service Level Indicators
Guide	Travel Management Services Specification Guideline
SBD 3.3	Pricing Schedule
SBD 4	Declaration of Interest
SBD 6.1	Preference points claim form in terms of Preferential Procurement Regulations 2022
GCC	General Conditions of Contract

Advertising Date: 12 December 2024

Closing Date: 17 January 2025

Closing Time: 11:00

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)					
BID NUMBER:	NSG/BID/05/2024/2025	CLOSING DATE:	17 JANUARY 2025	CLOSING TIME:	11:00
DESCRIPTION	RFP: Travel Management Services for the National School of Government for a period of thirty-six (36) months				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

National School of Government

ZK Matthews Building

70 Meintjies Street (walk-in) or 20 Greeff Street (visitor parking)

Sunnyside, PRETORIA

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	Anet de Beer	CONTACT PERSON	Lesego Komane
TELEPHONE NUMBER	n/a	TELEPHONE NUMBER	n/a
FACSIMILE NUMBER	n/a	FACSIMILE NUMBER	n/a
E-MAIL ADDRESS	Annetha.debeer@thensg.gov.za	E-MAIL ADDRESS	Lesego.komane@thensg.gov.za

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 PART B:3]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

ANNEXURE A1

school of government

Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

Request for Proposal for Travel Management Services for the National School of Government For the period of 36 months

NSG/BID/05/2024/2025

Date Issued: 12 December 2024

Closing date and time: 17 January 2025 at 11:00

Bid Validity Period: [120 days]

TENDER BOX ADDRESS:

ZK Matthews Building

70 Meintjies Street (walk in facility)

20 Greeff Street (Drive in, park and drop)

Trevenna / Sunnyside

Pretoria

TABLE OF CONTENT

1. INTRODUCTION

The National School of Government, from here-on referred to as the NSG, is a government department, accountable directly to Cabinet via the Minister of Public Service and Administration.

The NSG is a government department within the portfolio of the Ministry for Public Service and Administration. The NSG is the primary vehicle through which government is addressing capacity and skills development needs of public servants at all employment levels. In terms of its capacity building role, the NSG is a key player in contributing to the developmental agenda of government, as well as transformation and service delivery in the public service. More information about the NSG can be obtained at www.thensg.gov.za.

2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidder(s) for the provision of travel management services to the NSG.

This RFP document details and incorporates, as far as possible, the tasks and responsibilities of the potential bidder required by the NSG for the provision of travel management services to the NSG.

This RFP does not constitute an offer to do business with the NSG, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

3. DEFINITIONS

Accommodation	The rental of lodging facilities while away from one's place of abode, but on authorised official duty.
After-hours service	Enquiry or travel request that is actioned after normal working hours, i.e. 17h00 to 8h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays
Air travel	Means travel by airline on authorised official business.
Authorising Official	Means the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g. line manager of the traveller.
Car Rental	Means the rental of a vehicle for a short period of time by a Traveller for official purposes.
Conference	An event organised by the TMC on behalf of NSG (incl. venue and catering)
Department	Means the organ of state, Department or Public Entity that requires the provision of travel management services.
Domestic travel	Means travel within the borders of the Republic of South Africa.
Emergency service	Means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.
gCommerce	gCommerce refers to the Government's buy-site for transversal contracts.
International travel	Refers to travel outside the borders of the Republic of South Africa.
Lodge Card	Is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit

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	card number which is "lodged" with the TMC at to which all expenditure is charged.
Management Fee	Is the fixed negotiated fee payable to the Travel Management Company (TMC) in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc.).
Merchant Fees	are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.
Quality Management System	Means a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management.
Regional travel	Means travel across the border of South Africa to any of the SADC Countries, namely; Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.
Service Level Agreement (SLA)	Is a contract between the TMC and Government that defines the level of service expected from the TMC.
Shuttle Service	Means the service offered to transfer a Traveller from one point to another, for example from place of work to the airport.
Third party fees	Are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the TMC. These fees include visa fees and courier fees.
Transaction Fee	Means the fixed negotiated fee charged for each specific service type e.g. international air ticket, charged per type per transaction per traveller.
Traveller	Refers to a Government official, consultant or contractor travelling on official business on behalf of Government.
Travel Authorisation	Is the official form utilised by Government reflecting the detail and order number of the trip that is approved by the relevant authorising official.
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Travel Booker	Is the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller, e.g. the personal assistant of the traveller.
Travel Booker	Is the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller, e.g. the personal assistant of the traveller.
Travel Management Company (TMC)	Refers to the Company contracted to provide travel management services (Travel Agents).
Travel Voucher	Means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

Value Added Services	Are services that enhance or complement the general travel management services e.g. Rules and procedures of the airports.
VAT	Value Added Tax.
VIP or Executive Service	The specialised and personalised travel management services to selected employees of Government by a dedicated consultant to ensure a seamless travel experience.

4. LEGISLATIVE FRAMEWORK OF THE BID

4.1. Tax Compliance Requirements

4.1.1. It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with the South African Revenue Services (SARS) to meet the bidder's tax obligations.

4.1.2. The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit bids.

4.1.3. Bidders are required to be registered on the National Treasury's Central Supplier Database and the NSG shall verify the bidder's tax compliance status through the Central Supplier Database.

4.1.4. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

4.1.5. The NSG will not award a bid to any bidder whose tax matters are not in order.

4.2. Procurement Legislation

The bid and all contracts emanating from here, will be subject to General Conditions of Contract (GCC) issued in accordance with Treasury Regulations 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPPFA) and its associated regulations.

The Special Conditions of Contract (SCC) supplement the GCC. However, when the SCC is in conflict with the GCC, provisions of the SCC will prevail.

4.3. Technical Legislation and/or Standards

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

5. TIMELINE OF THE BID PROCESS

The period of validity of tender and the withdrawal of offers, after the closing date and time is 120 days. The project timeframes of this bid are set out below:

Activity	Due Date
Advertisement of bid on Government e-tender portal / Tender Bulletin	2024/12/12
Bid closing date	2025/01/17 at 11:00

All dates and times in this bid are South African standard time.

Any time or date in this bid is subject to change at the NSG's discretion. The establishment of a time or date in this bid does not create an obligation on the part of the NSG to take any action or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if the NSG extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

6. CONTACT AND COMMUNICATION

6.1. A nominated official of the bidder(s) can make enquiries in writing, to the specified person, Annetha de Beer via email Annetha.debeer@thensg.gov.za Bidder(s) must send enquiries to the above email address. Closing date for receipt of all enquiries is five (5) days before the closing date and time of the bid. All enquiries beyond the closing date may not be considered.

6.2. The delegated office of the NSG may communicate with Bidder(s) where clarity is sought in the bid proposal.

6.3. Any communication to an official or a person acting in an advisory capacity for the NSG in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.

6.4. All communication between the Bidder(s) and the NSG must be done in writing.

6.5. Whilst all due care has been taken in connection with the preparation of this bid, the NSG makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current, or complete. The NSG, and its employees and advisors will not be liable with respect to any information communicated which may not be accurate, current, or complete.

6.6. If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NSG (other than minor clerical matters), the Bidder(s) must promptly notify the NSG in writing of such discrepancy, ambiguity, error, or inconsistency in order to afford the NSG an opportunity to consider what corrective action is necessary (if any).

6.7. Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by the NSG will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.

6.8. All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid, or the bidding process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

7. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

8. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

9. FRONTING

9.1. Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Government condemn any form of fronting.

9.2. The Government, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the NSG may have against the Bidder / contractor concerned.

10. SUPPLIER DUE DILIGENCE

The NSG reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

11. SUBMISSION OF PROPOSALS

11.1. Bid documents may either be placed in the tender box OR couriered to the aforesaid address on or before the closing date and time.

11.2. Bid documents will only be considered if received by the NSG on or before the closing date and time, regardless of the method used to send or deliver such documents to the NSG.

11.3. The bidder(s) are required to submit **one (1) original and one (1) USB with content of each file** by closing date on **17 January 2025 at 11:00**. Each file and USB must be marked correctly and sealed separately for ease of reference during the evaluation process. Furthermore, the file and information in the USB must be labelled and submitted in the following format:

FILE 1 (TECHNICAL FILE)	FILE 2 (PRICE & SPECIFIC GOALS)
Exhibit 1: Pre-qualification documents *(Refer to Section 17.1 - Gate 0: Pre-qualification Criteria (Table 1))*	**Exhibit 1:** Pricing Schedule *(Refer to Section 16 – Pricing Model and Annexure A3 – Pricing Submission)*
Exhibit 2: • Technical Responses and Bidder Compliance Checklist for Technical Evaluation • Supporting documents for technical responses. *(Refer to Section 17.2 - Gate 1: Technical Evaluation Criteria and Annexure A2 – Desktop Evaluation Technical Scorecard and Compliance Checklist)*	
Exhibit 3: • General Conditions of Contract (GCC) • Draft Service Level Agreement *(Refer to Section 20 – Service Level Agreement)*	
Exhibit 4: • Company Profile • Any other supplementary information	

11.4. Bidders are requested to initial each page of the tender document on the bottom right-hand corner.

12. PRESENTATION / DEMONSTRATION

The NSG reserves the right to request presentations/demonstrations from the short-listed Bidders as part of the bid evaluation process.

13. DURATION OF THE CONTRACT

The successful bidder will be appointed for a period of 36 (thirty-six) months with an option to renew in the NSG's sole discretion for an additional 24 (twenty-four) months on the same terms and conditions unless the parties agree otherwise. The renewal of the contract will be at intervals of 12 (twelve) months each.

14. SCOPE OF WORK

14.1. Background

The NSG currently uses Travel with flair to manage the travel requisition and travel expense processes within the travel management lifecycle. The travel requisition process is currently a semi-automated process. The travel requisition is manually captured on forms that go through a manual authorisation approval procedure and are then forwarded to a NSG travel co-ordinator. The NSG travel co-ordinator captures the requisition into the travel order book which goes through an approval workflow process and then through to the travel management company for travel booking.

The NSG's primary objective in issuing this RFP is to enter into agreement with a successful bidder(s) who will achieve the following:

a) Provide the NSG with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;
b) Achieve significant cost savings for the NSG without any degradation in the services;
c) Appropriately contain the NSG's risk and traveller risk.

14.2. Travel Volumes

The current NSG total volumes per annum include air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions for the FY 2015/2016 as follows:

Service Category	Estimated Number of Transactions per annum (2023/24 FY)	Estimated Expenditure per annum (2023/24 FY)
Air travel - Domestic	549	2,850,223.48
Air Travel - Regional & International	22	483,925.99
Car Rental - Domestic	393	644,459.40
Car Rental - Regional & International	0	0
Shuttle Services - Domestic	124	88,704.35
Accommodation - Domestic	805	3,305,854.37
Accommodation - Regional & International	3	21,136.00
Transfers - Domestic	29	19,850.00
Transfers - Regional & International	4	27,522.00
Bus/Coach bookings	0	0
Train - Regional & International	3	13,500.00
Conferences/Events	0	0
After Hours		
Parking	21	13,681.25
Insurance	12	4,770.00
Forex	1	3,494.13
GRAND TOTAL	**1966**	**7,487,120.97**

Note: These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

14.3. **Service Requirements**

14.3.1. **General**

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation, the following:

a. The travel services will be provided to all Travellers travelling on behalf of the NSG, locally and internationally. This will include employees and contractors, consultants and clients where the agreement is that the NSG is responsible for the arrangement and cost of travel.

b. Provide travel management services during normal office hours (Monday to Friday 8h00 – 17h00) and provide after hours and emergency services as stipulated in paragraph 15.3.6.

c. Familiarisation with current NSG travel business processes.

d. Familiarisation with current travel suppliers and negotiated agreements that are in place between the NSG and third parties. Assist with further negotiations for better deals with travel service providers.

e. Familiarisation with current NSG Travel Policy and implementations of controls to ensure compliance. (**Annexure A.1.1**)

f. Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.

g. Provide a facility for the NSG to update their travellers' profiles.

h. Manage the third-party service providers by addressing service failures and complaints against these service providers.

i. Consolidate all invoices from travel suppliers.

j. Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

k. Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 years) which are of a similar size to the NSG.

l. It will be an added advantage if the bidder is a member of ASATA (Association of South African Travel Agents). Proof of such membership must be submitted with the bid at closing date and time.

14.3.2. **Reservations**

The Travel Management Company will:

a. Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via the agreed communication medium.

b. Always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel booker.

c. Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advice the Traveller of alternative plans that are more cost effective and more convenient where necessary.

d. Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.

e. Book the negotiated discounted fares and rates where possible.

f. Must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.

g. Book parking facilities at the airports where required for the duration of the travel.

h. Respond timely and process all queries, requests, changes and cancellations timeously and accurately.

i. Must be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)

j. The TMC shall not arrange catering services on behalf of the NSG, except where they are arranging conferences on behalf of the NSG.

k. Must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.

l. Advise the Traveller of all visa and inoculation requirements well in advance.

m. Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.

n. Facilitate any reservations that are not bookable on the Global Distribution System (GDS).

o. Facilitate the bookings that are generated through their own or third- party Online Booking Tool (OBT) where it can be implemented.

p. Note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.

q. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.

r. Negotiated airline fares, accommodation establishment rates, car rental rates, etc. that are negotiated directly or established by National Treasury or by the NSG are **non-commissionable**, where commissions are earned for the NSG bookings all these commissions should be returned to the NSG on a quarterly basis.

s. Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by the NSG.

t. Timeous submission of proof that services have been satisfactorily delivered (invoices) as per the NSG's instructions.

14.3.3. **Air Travel**

a. The TMC must be able to book full-service carriers as well as low-cost carriers.

b. The TMC will book the most cost-effective airfares possible for domestic travel.

c. For international flights, the airline which provides the most cost effective and practical routings may be used.

d. The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.

e. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).

f. Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.

g. The TMC will also assist with the booking of charters for VIPs utilising the existing transversal term contract where applicable as well as the sourcing of alternative service providers for other charter requirements.

h. The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.

i. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.

j. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)

k. Assist with lounge access if and when required.

14.3.4. **Accommodation**

a. The TMC will obtain price comparisons a within the maximum allowable rate matrix as rates provided by the NSG (**Annexure A.1.2**)

b. The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller.

c. This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with the NSG's travel policy.

d. The TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or the NSG.

e. Accommodation vouchers must be issued to all the NSG travellers for accommodation bookings and must be invoiced to the NSG as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.

f. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.

g. Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

14.3.5. **Car Rental and Shuttle Services**

a. The TMC will book the approved category vehicle in accordance with the NSG Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).

b. The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.

c. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.

d. For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.

e. The TMC will book transfers in line with the NSG Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.

f. The TMC should manage shuttle companies on behalf of the NSG and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.

g. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

14.3.6. **After Hours and Emergency Services**

a. The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.

b. A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.

c. After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and Public Holidays.

d. A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

e. The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

14.4. **Communication**

14.4.1. The TMC may be requested to conduct workshops and training sessions for Travel Bookers of the NSG.

14.4.2. All enquiries must be investigated, and prompt feedback be provided in accordance with the Service Level Agreement.

14.4.3. The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel Management Company in one smooth continuous workflow.

14.5. **Financial Management**

14.5.1. The TMC must implement the rates negotiated by the NSG with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.

14.5.2. The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to the NSG for payment within the agreed time period.

14.5.3. Enable savings on total annual travel expenditure and this must be reported, and proof provided during monthly and quarterly reviews.

14.5.4. The TMC will be required to offer a 30-day bill-back account facility to institutions should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices the NSG for the services rendered.

14.5.5. Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.

14.5.6. Consolidate Travel Supplier bill-back invoices.

14.5.7. In certain instances where institutions have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.

14.5.8. The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to the NSG's Financial Department on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.

14.5.9. Ensure Travel Supplier accounts are settled timeously.

14.6. **Technology, Management Information and Reporting**

14.6.1. The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.

14.6.2. The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.

14.6.3. All management information and data input must be accurate.

14.6.4. The TMC will be required to provide the NSG with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.

The reporting templates can be found on http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountantGeneral.aspx

14.6.5. Reports must be accurate and be provided as per the NSG's specific requirements at the agreed time. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).

14.6.6. The NSG may request the TMC to provide additional management reports.

14.6.7. Reports must be available in an electronic format for example Microsoft Excel.

14.6.8. Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

i. Travel

a) After hours' Report;
b) Compliments and complaints;
c) Consultant Productivity Report;
d) Long term accommodation and car rental;
e) Extension of business travel to include leisure;
f) Upgrade of class of travel (air, accommodation and ground transportation);
g) Bookings outside Travel Policy.

ii. Finance

a) Reconciliation of commissions/rebates or any volume driven incentives;
b) Creditor's ageing report;
c) Creditor's summary payments;
d) Daily invoices;
e) Reconciled reports for Travel Lodge card statement;
f) No show report;
g) Cancellation report;
h) Receipt delivery report;
i) Monthly Bank Settlement Plan (BSP) Report;
j) Refund Log;
k) Open voucher report, and
l) Open Age Invoice Analysis.

14.6.9. The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

14.7. Account Management

14.7.1. An Account Management structure should be put in place to respond to the needs and requirements of the Government Department and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.

14.7.2. The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the NSG's account.

14.7.3. The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.

14.7.4. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

14.7.5. Ensure that the NSG's Travel Policy is enforced.

14.7.6. The Service Level Agreement (SLA) must be managed, and customer satisfaction surveys conducted to measure the performance of the TMC.

14.7.7. Ensure that workshops/training is provided to Travellers and/or Travel Bookers

14.7.8. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

14.8. Value Added Services

The TMC must provide the following value-added services:

14.8.1. Destination information for regional and international destinations:

i. Health warnings;
ii. Weather forecasts;
iii. Places of interest;
iv. Visa information;
v. Travel alerts;
vi. Location of hotels and restaurants;
vii. Information including the cost of public transport;
viii. Rules and procedures of the airports;
ix. Business etiquette specific to the country;
x. Airline baggage policy; and
xi. Supplier updates

14.8.2. Electronic voucher retrieval via web and smart phones;

14.8.3. SMS notifications for travel confirmations;

14.8.4. Travel audits;

14.8.5. Global Travel Risk Management;

14.8.6. VIP services for Executives that include but is not limited to check-in support.

14.9. Cost Management

14.9.1. The National Treasury cost containment initiatives and the NSG's Travel Policy is establishing a basis for a cost savings culture.

14.9.2. It is the obligation of the TMC Consultant to advise on the most cost-effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.

14.9.3. The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.

14.9.4. The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with the NSG's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

14.10. **Quarterly and Annual Travel Reviews**

14.10.1. Quarterly reviews are required to be presented by the Travel Management Company on all the NSG travel activity in the previous three-month period. These reviews are comprehensive and presented to the NSG's Procurement and Finance teams as part of the performance management reviews based on the service levels.

14.10.2. Annual Reviews are also required to be presented to the NSG's Senior Executives.

14.10.3. These Travel Reviews will include without limitation the following information.

i. Institution to list the information that will be required. The reporting requirements in the National Treasury latest Instruction Notes on Cost Containment Measures related to Travel & Subsistence may be used as minimum.

ii. The NSG requires that the following detailed information be reflected in the quarterly management reports:

Transport

- Details of the carrier (e.g. airline, car rental company, bus operator used),
- Total amount and percentage spent per different modes of travel and carrier,
- Total amount and percentage saving per carrier,
- Total accumulative amount spent per mode of travel and carrier, and
- Total accumulative amount saved per carrier.

Accommodation

- The Travel Management Company must ensure that only accommodation establishments graded by Tourism Grading Council are utilized

14.11. **Office Management**

14.11.1. The TMC to ensure high quality service to be delivered at all times to the NSG's travellers. The TMC is required to provide the NSG with highly skilled and qualified human resources of the following roles but not limited to:

a. Senior Consultants
b. Intermediate Consultants
c. Junior Consultants
d. Travel Manager (Operational)
e. Finance Manager / Branch Accountant
f. Admin Back Office (Creditors / Debtors/Finance Processors)
g. Strategic Account Manager (per hour)
h. System Administrator (General Admin).

15. PRICING MODEL

The NSG requires bidders to propose one pricing model being the transactional fee model I. **Transaction Fees**

Refer Annexure A3: Pricing Schedule

15.1.1. The transaction fee must be a fixed amount per service. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.

i. Off-site option **(Annexure A3)**

15.1.2. The Bidder must further indicate the estimated percentage split between Traditional booking and On-line bookings.

15.2. **Volume driven incentives**

15.2.1. It is important for bidders to note the following when determining the pricing:

i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;
ii. No override commissions earned through the NSG reservations will be paid to the TMCs;
iii. An open book policy will apply and any commissions earned through the NSG volumes will be reimbursed to the NSG.
iv. TMCs are to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution.

16. EVALUATION AND SELECTION CRITERIA

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

Pre-qualification Criteria (Gate 0)	**Technical Evaluation Criteria (Gate 1)**	**Price and Specific Goals) Evaluation (Gate 2)**
Bidders must submit all documents as outlined in paragraph 17.1 (Table 1) below. Only bidders that comply with ALL these criteria will proceed to Gate 1.	Bidder(s) are required to achieve a minimum of 80 points out of 100 points to proceed to Gate 2 (Price and specific goals).	Bidder(s) will be evaluated out of 100 points and Gate 2 will only apply to bidder(s) who have met and exceeded the threshold of 80 points.

16.1. **Gate 0: Pre-qualification Criteria**

Without limiting the generality of the NSG's other critical requirements for this Bid, bidder(s) must submit the documents listed in **Table 1** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase Bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.

Table 1: Documents that must be submitted for Pre-qualification

Document that must be submitted	Non-submission may result in disqualification?	
Invitation to Bid – SBD 1	**YES**	Complete and sign the supplied pro forma document
Declaration of Interest – SBD 4	**YES**	Complete and sign the supplied pro forma document
Preference Point Claim Form – SBD 6.1	**YES**	Non-submission will lead to a zero (0) score on specific goals as set out by the NSG
Company Registration Documentation (CIPC)	**YES**	Non-submission will lead to a zero (0) score on specific goals as set out by the NSG
Bidder Compliance form for Functional Evaluation	**YES**	Complete and sign
Registration on Central Supplier Database (CSD)	**YES**	The Travel Management Company (TMC) must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration.
IATA Licence / Certificate	**YES**	i. Bidders are required to submit their International Air Transport Association (IATA) licence/ certificate (certified copy) at closing date. ii. Where a bidding company is using a 3rd party IATA licence, proof of the agreement must be attached and copy of the certificate to that effect at closing date.
Pricing Schedule	**YES**	Submit full details of the pricing proposal as per **Annexure A3 in a separate envelope**

16.2. **Gate 1: Technical Evaluation Criteria = 100 points**

All bidders are required to respond to the technical evaluation criteria scorecard and compliance checklist. Refer to **Annexure A2** for detailed information.

Only Bidders that have met the Pre-Qualification Criteria in (Gate 0) will be evaluated in Gate 1 for functionality. Functionality will be evaluated as follows:

i. Desktop Technical Evaluation – Bidders will be evaluated out of 80 points and are required to achieve minimum threshold of 70 points of 80 points.

ii. Presentation and system demonstration – Bidders will be evaluated out of 20 points and are required to achieve minimum threshold of 10 points out of 20 points.

iii. The overall combined score must be equal or above 80 points in order to proceed to Gate 2 for Price and predetermined specific goals evaluations.

As part of due diligence, the NSG may conduct a site visit at a client of the Bidder (reference) for validation of the services rendered. The choice of site will be at the NSG's sole discretion.

The Bidder's information will be scored according to the following points system:

Functionality	Maximum Points Achievable	Minimum Threshold
Desktop Technical Evaluation Details found in Annexure A2 – Technical Scorecard	80	70
Presentation and On-site Reference Checks	20	10
OVERALL COMBINED POINTS	**100**	**80**

16.3. **Gate 2: Price and predetermined specific goals Evaluation (80+20) = 100 points**

Only Bidders that have met the 80-point threshold in Gate 1 will be evaluated in Gate 2 for price and predetermined specific goals . Price and predetermined specific goals will be evaluated as follows:

In terms of regulation 4 of the Preferential Procurement Regulations 2022 pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- predetermined specific goals (maximum 20 points)

i. ***Stage 1 – Price Evaluation (80 Points)***

Criteria	Points
Price Evaluation $Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$	80

The following formula will be used to calculate the points for price:

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

ii. ***Stage 2 – predetermined specific goals (20 Points)***

a. predetermined specific goals **Points allocation**

A maximum of 20 points may be allocated to a bidder for attaining their predetermined specific goals status level of contributor in accordance with the table below:

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

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

SPECIFIC GOALS AND POINTS ALLOCATION

GOAL	Points out of 20 (80/20)	Points out of 10 (90/10)
(HDI/Black Owned)	Max = 8 Points	Max = 4
100% Black owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned 0 – 50% Black Owned	8 Points 6 Points 4 Points 2 Points 0 Point	4 Points 3 Points 2 Points 1 Point 0 Point
Black Women Owned	Max = 5 Points	Max = 2 points
100% Black Owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned 0 – 50% Black Owned	5 Points 4 Points 3 Points 2 Points 0 Point	2 Points 1 Point 0 Point 0 Point 0 Point
Black Youth	Max = 4 Points	Max = 2 Points
100% Black Owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned 0 – 50% Black Owned	4 Points 3 Points 2 Points 1 Point 0 Point	2 Points 1 Point 0 Point 0 Point 0 Point
Black People with Disability	Max = 3 Points	Max = 2 Points
100% Black Owned with disability.	3 Points	2 Points

75% - 99% black owned with disability	2 Points	1 Point
60% - 74% Back owned with disability.	1 Point	0 Point
51% - 59% Black owned with disability.	1 point	0 Point
0 – 50% Black Owned with disability		

Specific goals points may be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- Company registration documents (CIPC)

b. Joint Ventures, Consortiums and Trusts

A trust, consortium or joint venture, will qualify for points for their **specific goals** status level as a legal entity, provided that the entity submits their **Company registration documents (CIPC)**.

A trust, consortium or joint venture will qualify for points for their **specific goals** as an unincorporated entity, provided that the entity submits **Company registration documents (CIPC)** is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. The NSG will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the 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.

c. Sub-contracting

Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting.

The following is an extract from the PPPFA Act:

11(8) "A person must not be awarded points for **specific goals** if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, that has the capability and ability to execute the sub-contract."

iii. ***Stage 3 (80 + 20 = 100 points)***

The Price and **specific goals** points will be consolidated.

17. GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

a. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which the NSG is prepared to enter into a contract with the successful Bidder(s).

b. The bidder submitting the General Conditions of Contract to the NSG together with its bid, duly signed by an authorised representative of the bidder.

18. CONTRACT PRICE ADJUSTMENT

Contract price adjustments will be done annually on the anniversary of the contract start date. The price adjustment will be based on the Consumer Price Index Headline Inflation

STATS SA P0141 (CPI), Table E	Table E - All Items

19. SERVICE LEVEL AGREEMENT

19.1. Upon award the NSG and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by the NSG, more or less in the format of the draft Service Level Indicators included in this tender pack.

19.2. The NSG reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder by amending or adding thereto.

19.3. Bidder(s) are requested to:

a. Comment on draft Service Level Indicators and where necessary, make proposals to the indicators;

b. Explain each comment and/or amendment; and

c. Use an easily identifiable colour font or "track changes" for all changes and/or amendments to the Service Level Indicators for ease of reference.

19.4. The NSG reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to the NSG or pose a risk to the organisation.

20. SPECIAL CONDITIONS OF THIS BID

The NSG reserves the right:

20.1. To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000) and its regulations 2022

20.2. To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).

20.3. To accept part of a tender rather than the whole tender.

20.4. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.

20.5. To correct any mistakes at any stage of the bid that may have been in the Bid documents or occurred at any stage of the tender process.

20.6. To cancel and/or terminate the tender process at any stage, including after the closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.

20.7. Award to multiple bidders based either on size or geographic considerations.

21. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

21.1. The NSG reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of the NSG or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")

a. engages in any collusive bidding, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;

b. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the NSG's officers, directors, employees, advisors or other representatives;

d. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

e. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;

f. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any bid, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;

g. has in the past engaged in any matter referred to above; or

h. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

22. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

22.1. The bidder should note that the terms of its bid will be incorporated in the proposed contract by reference and that the NSG relies upon the bidder's bid as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.

22.2. It follows therefore that misrepresentations in a bid may give rise to service termination and a claim by the NSG against the bidder notwithstanding the conclusion of the Service Level Agreement between the NSG and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

23. PREPARATION COSTS

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing the NSG, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

24. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, the NSG incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the NSG harmless from any and all such costs which the NSG may incur and for any damages or losses the NSG may suffer.

25. PRECEDENCE

This document will prevail over any information provided whether oral or written, unless such written information provided, expressly amends this document by reference.

26. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at its own risk and cost. The NSG shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

27. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. The NSG reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

28. GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

29. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that the NSG allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and the NSG will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

30. CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with the NSG's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by the NSG remain proprietary to the NSG and must be promptly returned to the NSG upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure the NSG's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

31. AVAILABILITY OF FUNDS

Should funds no longer be available to pay for the execution of the responsibilities of this bid: NSG/BID/05 2024/2025, the NSG may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimize further expenditure: Provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

APPROVAL OF TERMS OF REFERENCE:

Terms of Reference to appoint a Travel Management Company to the National School of Government (NSG) for a period of three (3) years approved.

Professor Busani Ngcaweni
Principal
Date: 06/12/2024

school of government

Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

NATIONAL SCHOOL OF GOVERNMENT
TRAVEL POLICY

Learn Grow Serve

Document Reference:	1/1/P/~~2022~~ 2024
Document Type:	Policy
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Principal: National School of Government

22/05/2024
Date

(i) DOCUMENT INFORMATION AND CONTROL

Document Information

Owner Department	Office of the Principal
Document Owner	Office of the Principal
The document is maintained by	Office of the Principal: Chief Financial Officer
The document should be approved by	Principal: NSG
Document location	Office of the Chief Financial Officer

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Mr K Hlalethwa	Chief Financial Officer	Process Owner			Master
Prof. Busani Ngcaweni	Principal	Approving Authority			

(ii) ACRONYMS

Acronym	Description
ATM	Automated Teller Machine
BH	Branch Head
BTOR	Back to Office
CD	Chief Director
CDMR	Compact 4-5 Door Manual Vehicle with air-conditioning
CFO	Chief Financial Officer
DPSA	Department of Public Service and Administration
EDMR	Economy 4-5 Door Manual Vehicle with air-conditioning
EFT	Electronic Fund Transfer
HRM&D	Human Resource Management & Development
HRMD	Human Resource Management and Development
IDMR	Intermediate 4-5 Door Manual Vehicle with air-conditioning
IIC	Independent Individual Contractor
MMS	Middle Management Service
MPSA	Minister for Public Service and Administration
NSG	National School of Government
PDMR	Premium, 4-5 Door Manual Vehicle with air-conditioning
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
PSCBC	Public Service Co-ordinating Bargaining Council

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Acronym	Description
S&T	Substance & Travel
SCM	Supply Chain Management
SMS	Senior Management Service
TMC	Travel Management Company
VAT	Value added tax

(iii) GLOSSARY OF TERMS

Terminology	Description
After-hours reservation	Travel request that is actioned after normal working hours
Branch Head	Deputy-Directors General and Chief Directors who are Heads of Branches.
Contractors	Service providers contracted to perform work or to provide goods at a certain price or within a certain period.
Emergency reservation	The booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from the original trip
Incidental Expenses	Per the DPSA financial manual (these expenses include reading matter, private telephone calls and drinks between meals etc.)
International Travel	Any travel beyond the borders of South Africa
Local Travel	Any travel within the borders of South Africa
Principal	Accounting Officer
Travel Management Company (TMC)	The Company contracted to provide travel management services (Travel Agent)
Travel Voucher	A document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

school of government
Department: National School of Government
REPUBLIC OF SOUTH AFRICA

OFFICE OF THE PRINCIPAL
OFFICE OF THE CHIEF FINANCIAL OFFICER
NATIONAL SCHOOL OF GOVERNMENT (NSG) TRAVEL POLICY

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1 PREAMBLE

1.1 Section 45(b) and (c) of the Public Finance Management Act places the onus on each employee within the Academy to take responsibility for the effective, efficient, economical, and transparent use of financial and other resources within that employee's area of responsibility. In particular, the employee must take effective and appropriate steps to prevent, within that employee's area of responsibility, any unauthorised, irregular, fruitless and wasteful expenditure.

1.2 This policy must be read in conjunction with any other relevant National School of Government (NSG) policies (e.g., NSG Transport Policy and NSG Injury on Duty Policy).

2 PURPOSE OF THE POLICY

2.1 The purpose of the policy is to provide a framework for the management of travel, accommodation, and related expenditure.

3 POLICY OBJECTIVES

3.1 The key objectives of this document are:

3.1.1 To provide a policy framework for consistent decision making with the view to facilitate travel, at the expense of NSG, by officials and other defined individuals or groups.

3.1.2 To set parameters within which officials and defined individuals and groups may claim reimbursement for costs incurred prior to, during and after the trip has been undertaken.

4 SCOPE OF APPLICATION

4.1 This policy applies to all permanent, temporary, contracted and interview candidates and other NSG employees where an employer-employee relationship exist as defined in the Labour Relations Act, as amended.

4.2 The policy does not apply to consultants, contractors and other undefined individuals and groups, unless specifically provided for in the policy or in the contract terms between NSG and the individual or groups of individuals.

4.3 This policy applies to all individuals who have been granted authority by a duly authorised official to travel on behalf of and at the expense of NSG without any special provisions excluding application of this policy as will be specified in accordance with 4.2 above.

4.4 The policy covers both international and local travel and accommodation as most of the policy issues are principally the same. Where distinction is required, it will be clearly indicated.

4.5 The policy contains policy statements relevant to certain circumstances; it does not include procedures or processes. Travellers may include, but are not limited to the following:

Table 1: Scope of application of the policy

Traveller	Main business	Extend to which this policy applies
All levels of NSG employees and members of NSG committees/councils/ panels	Delivering on NSG mandate.	NSG travel policy applies.
Individuals employed by NSG on contract in terms of the Public Service Act (Contract employees & Secondments)	Delivering on NSG mandate.	NSG travel policy applies.
Panel of Experts /Consultants, Interpreters or translators and Facilitators employed by Higher Educational Institutions	Delivering training and other services as per TORs and specific contracts.	These Travellers are compensated in accordance with the contractual agreements in place with the individual or their employer, which may include addendums with standard rates for each type of travel. The NSG travel policy does not apply.
Trainees and / or Project Partners	Guests of NSG.	This policy does not apply unless the agreement between NSG, and the third party refers to it.
Interview candidates	Individuals attending interviews	NSG travel policy applies.

4.6 When undefined individuals or groups are required to travel for official NSG business, the formal agreement between NSG and the individual or his/her employer should indicate whether this policy will apply or not. In addition, care should be taken to include clear guidelines on which party (either NSG or the person or his/her employer) is responsible for the respective financial and non-financial risks associated with travel. Aspects that should be considered are:

4.6.1 Appropriate travel insurance cover and the payment thereof;

4.6.2 The travel policy most suitable for the arrangement between the parties;

4.6.3 The responsibility for the funding of the visit; and

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4.6.4 The principle that expenses and/or allowances cannot be paid twice.

5 SOURCES OF AUTHORITY

5.1. This policy should be read in conjunction with all applicable public service prescripts.

5.2. In a situation where there is a conflict between this policy and the Acts, Directives, Determinations and Resolutions, the Acts will prevail.

5.3. This policy is informed by and has been developed within the parameters of the following legislative framework.

5.3.1 The Public Finance Management Act (PFMA), Act 1 of 1999 as amended.

5.3.2 The Treasury Regulations issued in terms of the PFMA.

5.3.3 Transport Tariffs as determined by the Department of Transport

5.3.4 Public Service Act, 1994 as amended.

5.3.5 Public Service Regulations

5.3.6 Income Tax Act and guidelines issued by the South African Revenue Services

5.3.7 South African Civil Aviation Act 13 of 2009 and Civil Aviation Regulations

5.3.8 Financial Manual as published by the MPSA from time to time.

5.3.9 Public Service Co-ordinating Bargaining Council resolution 3 of 1999

5.3.10 State of the Nation Address (SONA) Directive about Foreign Travel dated 2016.

5.3.11 Ministerial Handbook

5.3.12 All applicable Directives, determinations, frameworks, and instructions issued by National Treasury from time to time.

5.3.13 Any approved directives by the Minister of Finance and/or National Treasury Director-General

5.3.14 Applicable PSCBC/GPSSBC Resolutions

5.3.15 Applicable MPSA Determinations/Directives/Frameworks

5.3.16 Applicable NSG Policies, SOPs, and plans.

6 GENERAL PRINCIPLES

6.1 Each Traveller should exercise good and ethical judgement when incurring travel expenses and obtain prior approval from a duly authorised official for any travel, whether specifically covered under this policy or not.

6.2 On approving travel requests every manager should consider the benefit to NSG, the necessity of the travel and the most cost-effective way to obtain the required benefit.

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6.3 Compliance to this policy is the responsibility of the Traveller; NSG will reimburse all necessary business-related expenditure incurred by an official Traveller in accordance with this policy.

6.4 Where discrepancy exists between the amount authorized in the trip authority and the invoice, Travellers are expected to confirm the accuracy and completeness of such invoices and other supporting documents before the payment is made.

6.5 Travellers should plan official travel well in advance and obtain approval at least seven (7) working days prior to departure.

6.6 Travellers must make use of the flexible ticket options as follows:

6.6.1 non-flexible tickets for the departure and return flight.

6.6.2 non-flexibie tickets for the departure flight only

6.6.3 Flexible tickets for the departure and return flight.

6.7 With the view to ensure cost effective travel, it is the responsibility of every Traveller to consult as wide as possible before travelling to a region and or country unknown to him/her. **Information that may be useful is**:

6.7.1 Travellers should make use of the public transport (i.e., Uber, Gautrain, etc.) or shuttle services when travelling to/from the airport if it is more cost effective than the cost of car rental or the cost of parking and kilometres claimed.

6.7.2 When the Traveller is travelling by air on a one-day visit to another institution, where possible, decide with the relevant Institution to be picked up from and dropped off at the airport.

6.7.3 In cases where both air and road travel are convenient, Travellers must attach proof that the selected mode is the cheapest, considering the cost of the trip, time consumed and productivity.

6.7.4 Where several Travellers/officials are attending the same official function/ meeting, they shall always attempt to reduce the cost to the Institution by using one vehicle where circumstances permit.

6.7.5 What is the most appropriate way in which to arrange ground transport i.e., bus, taxi, shuttle, train.

6.7.6 What is the most appropriate method of payment for accommodation and services, i.e., credit card, cash (to be taken with or from ATM), Traveller's cheques.

6.7.7 What is the most practical currency to use? (If possible, obtain small change before departure to pay for public transport, tips, and refreshments.); and

6.7.8 What kind of medical precautions should be taken, i.e., malaria tablets (Consulting a travel clinic well in advance is recommended.).

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7. TRAVEL MANAGEMENT COMPANY (TMC)

7.1 Travellers and travel bookers shall only make use of the travel agent officially appointed by NSG. The use of any other travel agent shall be per approval of the Principal/Delegated Authority and shall be in cases where the contracted agency cannot provide the service required.

7.2 Travel management Company (TMC), to make travel arrangements on behalf of the NSG that is in line with the provision of the NSG travel policy and the National Treasury instruction note No. 07 of 2022/2023.

7.3 The TMC will book the negotiated government corporate rates and fares where applicable. The employer will only pay for the actual cost and usage by the employee. Proof of such used cost must be provided in form of statement/receipt.

7.4 Services rendered by the travel agent include: flights, charters, accommodation, transfers, car rental, chauffeur driven vehicles, passports, visas, foreign exchange, travellers' cheques, providing of advice on international travel in relation to safety and vaccination.

7.5 Travel arrangements for employees travelling as a group to the same destination should be arranged centrally.

7.6 The TMC must only issue Travel Vouchers (Accommodation and ground transportation) and air tickets after the receipt of the Travel Authorisation form.

7.7 Only services approved and described on the Travel Voucher that correspond with the Travel Authorisation form is for the account of the NSG and the TMC only invoices this to the NSG. The NSG authorises the TMC to invoice all other unauthorised expenses separately to the NSG, the NSG must settle the account, and if the Traveller is found liable, the amount must be recovered from the Traveller, subject to the applicable legislation.

7.8 In the event of an after-hours reservation, the TMC must execute the request based on a verbal approval or approval via Short Message Services (SMS) or e-mail from the authorising official. The NSG must present the Authorisation form to TMC within 72 hours after the request was executed by the TMC to avoid irregular or fruitless and wasteful expenditure. The TMC may follow up with the NSG and upon failure by the NSG to submit the Travel Authorisation form the TMC may proceed to invoice transaction.

7.9 The accounting officer must ensure that the following clauses are contained in the contract with the TMC:

7.10 TMC are not allowed to receive rebates, overrides and any volume driven target initiatives[1] earned for government business. The TMC must select the mode and combination that is the most cost-effective and practical while considering the total cost of the trip.

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[1] Rebates overrides and target drive incentives are rewards from supplier to the TMC for volume business, in most instances these rewards are linked to an increased target.

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7.11 TMC Bookers must not make bookings based on personal preference for a particular travel service provider, access to lounges or accumulation of reward and loyalty points.

7.12 TMC or persons effecting bookings on behalf of the NSG are required to compare various travel rates before confirming a booking as the principles of competitiveness and cost effectiveness must always be maintained.

8. APPROVAL FRAMEWORK

8.1 Travel Authorization

8.1.1 Local travel

(a) Before any local official trip is undertaken, a trip authority form must be completed by the Traveller or the travel booker and authorised by the delegated authority in terms of table 2 below.

Table 2: Delegations for travel authorization

Traveller	Delegated authority for trip / expenditure approval
Principal	Minister / CFO
Branch Heads	Principal / CFO
	Any other Branch Head[2]
Chief Directors	Branch Head
Directors	Chief Directors with financial delegations
Other Officials	Line manager with financial delegations

NOTE:

Travellers especially those with financial delegations may not approve their own expenditure for travel/accommodation purpose.

(b) The Terms and Conditions for using private vehicles to carry out official duties by Senior Management Service members (regardless of if they structured for a vehicle allowance or not) are set out in the Public Service Handbook for SMS.

1 This applies in cases where the delegated official is not available to grant approval

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(c) In the case of SMS members, trip authorities are not required for travelling with his/her own vehicle where the claim would only relate to kilometres travelled, toll fees and/or parking.

(d) SMS members must obtain trip approval for any official trips where expenditure **other than** kilometre claims, toll fees and/or parking would be claimed. Subsistence and travel claims may be handled according to NSG's prescripts.

(e) It should be noted that, even where an employee, other than an SMS member, has approval for a specific period (e.g., financial year) for the use of either a departmental vehicle or his/her private vehicle, the employee must still complete the trip authority form and attach the approval for the use of a private vehicle for budgetary record purposes.

(f) Any journey between a Traveller's home and normal workplace constitutes a private journey except when required to attend to official matters at the normal place of work on a weekend or public holiday and such day is not a normal day of work such trip will be considered an official trip. If required to return to the normal place of work after hours such trip will also be considered an official trip.

(g) In cases where the Traveller departs from home directly to a meeting, conference, etc. or returns from such a venue directly to home that will be considered as an official trip. In such cases, the normal distance between an employee's home and workplace must be subtracted from the total distance travelled when claims are submitted.

(h) Kilometres can be claimed irrespective whether the employee receives a car allowance or not.

(i) Traveller will be compensated for the kilometres travelled, either according to the to the tariffs for the use of motor transport as determined by the Dot or the SARS kilometre rates, which applicable to the institution.

(j) Travellers must use the most cost-effective and convenient mode of travel. In cases where both air and road travels are convenient, and travellers must attach proof that the selected mode is the cheapest.

(k) Incorrect milage and engine size, where it is found or suspected that travellers are claiming incorrect milage or incorrect engine size in attempt to defraud government, the NSG may institute the disciplinary actions and deduct the amount from the traveller's salary which is subjected to applicable prescripts.

8.1.2 International travel

(a) All requests for international travel should include the following:

(i) A motivation for the visit, especially its benefit for the Government and the country.

(ii) The financial implications of the visit.

(iii) The list of the support delegation, including roles of each official

(iv) Requires the approval of the of the most senior official or duly delegated official of the NSG or Principal.

(b) The Branch Head recommends travel requests to the AO/Principal for approval by the Minister. The Office of the Principal may prescribe the format and level of detail required.

(c) In the case of international travel undertaken by the Principal, the Principal makes a recommendation to the Minister for approval.

8.1.3 Changes in trip authority

(a) Changes effected before the commencement of the official trip.

(i) If any changes must be affected to a trip authority, which has already been authorised and where the trip has not yet commenced, a new or additional trip authorization must be issued.

(b) Changes during an official trip

(i) During office hours the travel booker must submit an approved, travel authority effecting the changes requested.

(ii) If after hours, the travel agency must be contacted immediately, and after-hours approval must be granted by the delegated official. The details of after hour approval must be reflected on the statement or invoice.

(c) After-hour booking (new booking)

(i) For any new booking made after hours, the travel agency must execute the request based on a verbal approval or approval via a short message service (SMS), or an email from the Authorising Official. The NSG must present the Travel Authorisation Form or Purchasing Order to the TMC within 72 hours after the request was executed by the TMC or where not practical, within 24 hours upon return to the place of working order to avoid irregular or fruitless and wasteful expenditure. After-hours approval must be granted by the delegated official. The details of after hour approval must be reflected on the statement or invoice.

8.1.4 Cancellations and Refunds

(a) The Traveller must inform the TMC and the Travel Booker immediately if he/she realises that he/she will not take a specific flight.

(b) If there is a very small chance that the specific individual will fly to the same destination within the next six months (in the case of a domestic destination) or a year (in case of an international destination), cancel the ticket immediately and get a refund.

(c) If the Traveller will be travelling to the same domestic destination within the next six months, or to the same international destination within the next year, immediately amend the ticket to the new date.

(d) The Traveller and/or Travel Booker should inform the TMC that the Traveller has a valid air ticket prior to booking a new ticket. If the ticket is not used within the next six-month period, ask the TMC to cancel the ticket before the expiry date.

8.2 Baggage Allowance

8.2.1 The Traveller must know the Baggage Policy of the airline that he/she will be travelling on. The Baggage Policy will provide information on the prescribed baggage allowance and the cost for baggage in instances where the airline charges separately for baggage.

8.2.2 Based on the class of travel, the airline will prescribe the specific number of pieces of luggage that will be allowed as well as the weight and size per piece.

8.2.3 The Traveller will be charged a fee if his/her baggage exceeds the weight, specified dimensions or the number of items allowed.

8.2.4 The reimbursement of excess baggage is subject to the Traveller obtaining approval for exceeding the baggage allowance due to a valid business reason, prior to the trip. In cases where the employee must carry excess baggage that is beyond his/her control, that excess will be reimbursed (e.g., the employee is requested on short notice to carry additional baggage on request of the employer.)

8.3 Pre-approved classes of Air travel (both local and international)

8.3.1 Table 3 below indicates the prescribed classes of air travel as per the different levels/designation.

If there is a specific business need to upgrade the class of travel by any member of a group to travel with a more senior official, it is subject to approval by the Accounting Officer / Delegated Authority.

8.3.2 Travel Agents must be instructed to procure the most cost-effective option of travel within the specified classes of travel.

Table 3: Classes of travel

International Air Travel exceeding five (5) hours	
Employee Level/Designation	**Class of Travel**
Director-General/Principal or persons holding equivalent ranks in the department	Business Class

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Deputy Director General[3] or persons holding equivalent ranks in the department	Business Class
Persons appointed on grounds of policy considerations in terms of Section 12A of the Public Service Act 1994 (i.e., Advisors to executive authorities)	Business Class
Other Employees	Economy Class. Business Class subject to the recommendation of the Accounting Officer and approval by the Minister

Air travel (including travel to neighbouring and regional countries) that are five (5) hours or less (from origin airport to destination airport)

The standard of air travel for Domestic air travel of five (5) hours or less must be in economy class, with consideration of restricted fare types as follows.

- Where there is a high degree of certainty of arrival or departure times, Travellers, Travel Bookers and TMC must consider restricted fare types.
- Where there is a possibility that a scheduled meeting will not proceed, or there is uncertainty around the time that a scheduled meeting may conclude. Travellers, Travel Bookers and TMC must consider whether the additional cost of flexible fares outweighs the cost of possible changes or cancellation fees.
- Value for money: travellers, travel bookers and TMC must compare fare classes and types across the airlines servicing the route required.
- Advance booking to benefit from the available best price of the day, domestic travel should be booked at least seven days in advance.
- The most cost-effective options are available when making a travel bookings/reservation more than 14 days prior to the departure.
- The NSG must ensure that the appointed TMC compare the discounted rates with all other airlines rates that is servicing the specific route, including the low-cost carriers.

Any exceptions to this rule must be approved by the Accounting Officer or delegated official

[3] This is not applicable to persons holding other ranks/positions but who are remunerated at salary level 15.

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8.3.3 Business Class travel can be approved in exceptional cases for the following scenarios:

(a) Travellers with disabilities[4];

(b) Travellers with special needs[5] based on medical grounds.

(c) In the event where economy class tickets are not available[6],

(d) Where business class ticket is the same price or cheaper than the economy class ticket[7] to the same destination

(e) Travellers are not allowed to accept an up-graded ticket unless it can be confirmed that the permitted airline class was full. If offered any upgrade and there is a financial implication for the employer, such offer must also be declined.

8.3.4 International travel by Air

(i) Travelling air travel exceeding five (5) hours require approval of the principal and shall be economic class unless approved by the AO/Principal which may approve higher class based on the merits of the request.

(ii) Business classes are permitted for trips exceeding five (5) hours from origin airport to destination airport but requires an approval of the AO/Principal.

(iii) Business class may be purchased by the following persons:

- Director General or persons holding equivalent ranks in the departments.
- Deputy Director General or persons holding equivalent ranks in the departments.
- Persons appointed on grounds of policy consideration in terms of the section 12A of the public service act, 1994 (i.e. advisor to the executive committee/authorities).
- AO/Principal or the person in charge of the institution/ public entity.
- Officials that directly report to the AO/Principal
- Members of the board of the public entity.

(iv) Despite the above paragraph C, (iii) the AO/Principal may approve the purchase of the business class for:

- Travellers with disabilities
- Travellers with special needs

[4] Disability for the purposes of this document is defined as a person who is physically impaired and/or requires assistance to move or is dependent on a wheelchair.
[5] Special needs means a distinctly different need of a Traveller that requires the AO or delegated official to make a judgement call to provide for such a need A medical certificate noting the medical need and the applicable period of time must be provided
[6] A complete and accurate trail of such cases must be kept by the AO or delegated official for audit purposes
[7] A complete and accurate trail of such cases must be kept by the AO or delegated official for audit purposes.

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- Where the business class is cheaper than the economic class for the same destination.
- For traveller accompanying a person entitled to travel business class

8.3.5 Car Rental and Shuttle Services

Car Rental – The Travel Booker or TMC must book a rental vehicle for the period that it is actually required for official business. The Traveller must return the rental vehicle within the specified rental period or notify the Travel Booker or TMC to make additional arrangements with the car rental company. If the Traveller fails to inform the ravel Booker or the TMC, where it was in his or her ability to do so and additional charges are incurred, the NSG will settle the account, and if the Traveller is found liable, recover the amount from the Traveller.

If the Traveller needs to extend the rental period for official business purposes, the Traveller must obtain approval from the authorising official and the TMC will issue a Travel Voucher for the extended period.

Table 4: Car Rental and Shuttle Services

Car Rental and Shuttle Services		
Employee Level/Designation	**Vehicle Category**	**Shuttle & Transfer Services**
Director-General / Principal	Intermediate/Full size 4-5 Door Manual or Automatic Vehicle with air-conditioning (IDAR/RDAR/FDMR/ FDAR/FCAR/ICAR/ICMR)[8]	Luxury Sedan
Deputy Directors-General and all other officials	Economy 4-5 door, Manual vehicle with air-conditioning (EDMR)	Economy Sedan
Officials with disability who require the use of an automatic vehicle. Officials who have a restriction on their driver's licence	Economy/Compact 4-5 door, automatic vehicle with air-conditioning	Economy/Compact

[8] ACRISS or SIPP are used by Car Rental companies to define car models. Each character represents a definable feature of the vehicle"1st character denotes the category based on size, cost power and luxury factor, 2nd character defines the vehicle type for example if it is a SUV or sedan, 3rd character describes the transmission and the 4th character defines the fuel type and whether air-conditioned.

(a) A different class of vehicle (intermediate or Compact Sports Utility Vehicle (IFMR/IFAR/SFMR/SFAR) can be rented if required for a particular terrain or to cater for the special needs of any employee. Mountainous and gravel roads are considered difficult terrain and vehicles with higher ground clearance may be required.

(b) Notwithstanding the provision of Table 4, the accounting officer or delegated official may provide prior written approval for the hiring of a Standard Compact vehicle (CDMR/CDAR/SDAR/SCMR/SDMR), minibus/bus in instances where:

(i) Three or more Travellers are travelling together.

(ii) Extra luggage must be accommodated.

(iii) The return journey to be travelled exceeds four hundred (400) kilometres.

(iv) To cater for the special needs of a Traveller.

(v) Transportation of more than 16 passengers; or

(vi) transporting of foreign dignitaries

(c) The rental of an automatic vehicle is an exception. If the request for an automatic vehicle is for a permanent requirement, the institution must issue a standing approval and the Travel Booker must attach it to each Travel Authorisation Form when booking a vehicle.

(d) A Traveller is permitted to accept a higher category of rental vehicle if such an upgrade is free of charge or at a reduced cost.

(e) The Accounting Officer/Delegated Authority must provide prior written approval for a higher group of vehicles to be hired.

8.3.6 Accommodation

International Accommodation

International travel requires approval of the most senior official or duly delegated official of the NSG.

The approval submission must comply with the requirements of the National Travel Policy Framework, with specific reference to the financial implications and be approved by the most senior official or a duly delegated official.

Table 5: Domestic Accommodation

(a) Maximum allowable rates are per star grading and type (Room only, bed-and breakfast or dinner-bed-breakfast) for domestic accommodation within which a traveller is allowed to be accommodated in accordance with his/her organisational level or positions within the institution.

(b) AO/Principal must ensure that domestic accommodation expenditure does not exceed maximum allowable rates set out in the table below domestic accommodation rate grid.

Employee Level/ Designation	Domestic Hotel Star Grading or similar
Director-General / Principal	4 Star
Deputy Director-General	4 Star
All other employees (unless approved otherwise by the Accounting Officer or delegated authority)	3 Star

(c) Where the rate of the higher star graded establishment is equal or lower than the lower star graded establishment and within the limits of the maximum allowable rates permitted. The Domestic Accommodation selected must not exceed the maximum allowable rate as prescribed by the National Treasury. Any exception rule must be approved by the Accounting officer or Principal.

(d) When choosing a domestic accommodation, the TMC must choose the lowest rate available at a suitable accommodation establishment within reasonable distance from place of duty.

(e) The higher star graded establishment is the only available option due to location and availability.

(f) the institution has negotiated lower rates with the higher star graded establishment and the rates are within the limits of the maximum allowable rates permitted.

(g) in all cases the principle of cost-effectiveness must prevail. The lowest rate available at suitable accommodation establishments within reasonable distance from the place of work, the travel booker will determine the most appropriate star rating, based on an assessment of government business requirements and total cost of travel (typically, accommodation rates plus transportation costs). Where there is an alternative star grading indicated in Table 5 (i.e., 4/5 or 3/4), the maximum allowable rate of the lower star grading will be the benchmark. The higher star grading may only be booked if:

   (i) the higher start graded establishment is the only available option due to location and availability; or

   (ii) the institution has negotiated lower rates with the higher star graded establishment.

(h) The accounting officer or delegated authority may only approve Accommodation costs that exceed the amount prescribed in the Domestic Accommodation Rate Grid:

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(i) during peak holiday periods[9]

(ii) when South Africa is hosting an event in the country or in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in the country or in that geographical area

(i) Notwithstanding paragraph c, above the accounting officer or delegated authority may approve a different class of accommodation that a Traveller is allowed to book only if such is an operational requirement[10]

(j) The accounting officer or delegated official must ensure that overnight accommodation for employees is limited to instances where the distance travelled by road (by the traveller) exceeds 300 kilometres to and from the destination (return journey), the meeting/conference/workshop is held over a few days; or the event finishes after hours.

(k) Travellers can choose to make use of private accommodation (staying with family or friends) when he/she is required to spend at least one night away.

(l) Special dietary requirements must be considered when the most relevant accommodation option is booked. If the accommodation does not cater for dietary requirements, then room excluding meals must be booked (bread and Breakfast or room only). The traveller may claim the actual expenditure for the meals (Not exceeding the maximum daily amount and must be accompanied by receipts as a supporting evidence).

(m) Some accommodation establish that do not serve meal package must provide meal vouchers which can be redeemed at the facilities with which the establishment have planned. The traveller must not request or demand cash from accommodation establishment in lieu of the meal cost included in the travel accommodation voucher. Such actions are misconduct and must be dealt with in terms of the institution's disciplinary policy.

(n) Subsistence allowance for meals may not be paid to the traveller if the rate of the accommodation facility already includes dinner and/or breakfast or if the conference fee includes lunch and/or dinner.

8.3.5.1 **No-Shows and Cancellations**

(a) The Traveller is responsible to notify the TMC and the Travel Booker of any cancellations of reserved Accommodation as soon as he or she becomes aware of the fact. The Traveller must familiarise themselves with the cancellation policy of the specific establishment, to avoid fruitless and wasteful expenditure.

(b) The Traveller must, where it is within his or her ability to, inform the TMC or the establishment if he or she expects to be arriving later than the expected

[9] Peak holiday means a period during South African school holidays and public holidays as provided for in the South African calendar.
[10] It sometimes an operational requirement for the entire delegation to stay in the same place of accommodation despite the level of the employee

arrival time, to ensure that the reservation is not cancelled, or a cancellation fee is incurred.

(c) If the Traveller does not check in at all, where it is within his or her ability to do so, without any prior notification to the TMC or the establishment, a no-show fee may be charged. In such cases the institution will settle the account, and if the Traveller is found liable, recover the amount from the Traveller.

(d) If the Traveller fails to inform the Travel Booker or TMC, where it was in his or her ability to cancel the booking in time, and a no-show or cancellation fee is incurred, the fee is regarded as fruitless and wasteful expenditure. In such cases the institution will settle the account, and if the Traveller is found liable recover the amount from the Traveller.

8.4 Local travel by road

8.4.1 Private travel

The normal travel between the place of residence of the Traveller and the NSG office is regarded as private travel.

8.4.2 Business travel

(a) For staff on salary levels 1 to 10 and MMS, privately owned vehicles may only be used if prior approval has been obtained from the relevant Branch Head. Staff members are reimbursed for official kilometres travelled according to rates published by the Department of Transport from time to time. NSG vehicles must be used in line with the relevant prescripts.

(b) Shuttle services may be used in appropriate circumstances and must be authorised in terms of the delegations,

9 ADMINISTERING OF TRAVEL EXPENSE

9.1 The Travel Management Company (TMC)

9.1.1 From time-to-time NSG may consider appointing one or more Travel Management Companies (TMC) to ensure the cost-effective and efficiently managed the NSG use of resources.

9.1.2 The working relationship between the appointed TMC and NSG shall be regulated by the Service Level Agreement and shall be required to:

(a) To provide best possible travel arrangements at the most competitive options when making travel bookings and t be mindful of cost and value for money with competitive rates and best price.

(b) To constantly provide and update on the information regarding any pertinent information regarding official's trip to the traveller.

9.1.3 The benefits of appointing a TMC could include:

(a) Better prices as a result of established relationships (preferred suppliers) and larger volumes;

(b) Saving time (professional travel consultants sources information, obtains different quotations and makes reservations); and

(c) Enhancing the related internal control measures.

9.1.4 The services a typical TMC would be able to supply are:

(a) Preparing itineraries;

(b) Sourcing quotations;

(c) Making reservations;

(d) Management reporting; and

(e) Management of "Airline reward programmes".

9.1.5 The services of a TMC will be obtained via the formal NSG processes to procure services. The Directorate: Legal and Contract Management will be responsible for the management of all legal aspects of the agreement between NSG and the TMC.

9.1.6 The institution will pay the transaction fees or management fees as agreed in the Service Level Agreement between the parties and the actual cost of the airline ticket, accommodation, car hire and shuttle.

9.2 Options in the absence of a TMC

9.2.1 In the absence of the contracted services of a TMC, NSG would have the option to administrate the procurement of travel related services via the SCM unit (in consultation with the Traveller) or a system where Travellers are reimbursed for expenses on personal/business credit cards.

9.3 Advances for travel

9.3.1 To avoid undue hardship to employees, NSG may grant S&T advances to qualifying employees to defray travel and subsistence costs under the following conditions:

(a) It can only be granted to employees and contract employees paid via the PERSAL salary system.

(b) Allowances are to be calculated where employees are away from headquarters for 24 hours or longer, and hourly thereafter. The calculation of the allowance shall take effect two hours before the flight departure and shall end two hours after the return flight has landed:

(c) Advances will be calculated for meals, private transport, and special daily allowances.

(d) Authorised S&T advance form must be submitted seven (7) working days before trip. However, should the trip authorisation date be less than 7 days before departure, the S&T form should be submitted on the date of the authorisation of the trip.

(e) For local travel, advances shall be deposited directly into the official's bank account by means of Electronic Fund Transfer (EFT)

(f) For international travel, Finance will facilitate the procurement of foreign currency upon receipt of Minister's approval.

(g) Advances may not be paid out more than ten (10) days prior to departure.

(h) The need for S&T advances should be included in the financial implication of all submissions.

(i) Advances will not be granted to employees with any outstanding advance.

(j) Unless prior arrangement has been made with the CFO, NSG will deduct any advances not finalised within 21 working days after the return to office, from the salary of the employee.

9.4 Donor Funded Foreign Official Trips

9.4.1 The Accounting Officer/Delegated Authority must submit the detail of all expenses claimed against a donor fund to the Minister.

9.4.2 The information must be included in the annual financial statements in terms of the prescripts regulating approval for the acceptance of gifts/donations and sponsorship (Treasury Regulations 21.2.1).

9.4.3 If donors provide a daily allowance to the Traveller equal to, or higher than the prescribed allowance, the Traveller shall not receive any allowance from the NSG.

9.4.4 If the allowance paid by the donor is lower than the prescribed allowance as per the Subsistence Allowance (Annexure B), the Traveller will receive the difference, unless the Accounting Officer/Delegated Authority or Minister decides otherwise.

9.4.5 In cases where the allowance paid by the donor is only for certain meals, the prescribed allowance per meal and/or a flat rate of fifteen percent (15%) for incidental expenses can be paid by the NSG on approval by the Accounting Officer/Delegated Authority.

9.4.6 If the accommodation costs are funded by donors, the NSG will not be responsible for the expenses.

9.4.7 If a donor requests that the institution pays, or that the expenses are only claimed from the donor after the trip. It is the responsibility of the Traveller to:

(a) Obtain proof of this arrangement and contact details in writing from the donor prior to the trip, and to

(b) Provide proof of expenses (i.e., invoices, receipts, copies of tickets, etc.) to be submitted to the Accounting Officer/Delegated Authority for reconciliation and claiming purposes.

9.5 Kilometres travelled claims.

9.5.1 Proof of reputable maps (e.g., Google maps) kilometre calculation must be attached to the claim.

9.5.2 Minimum kilometres that can be claimed must be set at 40 km cumulative in a month, if less than 40 km travelled in a particular month the record can be kept and used as part of cumulative kilometres claim in subsequent months.

9.5.3 Unless communicated otherwise the claims for kilometres (incl. cumulative kilometres) travelled must be claimed within the financial year when the trip/s took place.

10 SUBSISTENCE ALLOWANCES

10.1 General

10.1.1 Subsistence allowances may be claimed by any employee or interviewee of NSG.

10.2 Local official trips more than 24 hours

10.2.1 Annexure A of the Travel Policy outlines the Fixed and Special allowances as determined by the Minister for Public Service and Administration with effect from 1 April, the maximum subsistence for and camping allowances payable in terms of parts X11 and XIII of PSCBC Resolution 3 of 1999. Fixed daily subsistence allowances.

10.2.2 Allowances for local official trips are to be calculated when employees are away from headquarters for 24 hours or longer, and hourly, thereafter.

10.2.3 The calculation of the allowance shall take effect two hours before the flight departure and shall end two hours after the return flight has landed.

10.3 Allowances for meals

10.3.1 Annexure B of this policy outlines the maximum amount of meal allowance as reviewed yearly reviewed by the DPSA.

10.3.2 Breakfast can only be claimed if not included in hotel arrangements.

10.3.3 On Departure date, breakfast can only be claimed when the employee leaves her/his residence before 06:00.

10.3.4 On return date, Dinner can only be claimed when the employee returns to her/his residence after 20:00.

10.3.5 Tips on meals not more than 10% of the total bill is allowed and shall be considered as official expenditure.

10.3.6 Receipts for meals should be kept and attached to the claim form to be submitted to Directorate Financial Accounting on return of the official trip.

10.3.7 Cases where receipts are lost, an affidavit should be obtained and can only be processed once approval has been obtained from the Director: Financial Accounting or higher.

10.3.8 Employees shall not be reimbursed for any consumable items taken from "mini bars" in a hotel.

10.3.9 Trainers/Facilitators should establish, prior to attending an intervention, whether lunch is included and paid for by the department where the training intervention will take place.

10.4 Local official trips less than 24 hours

10.4.1 Annexure B outlines meal allowance of trips less than 24 hours.

10.4.2 Proof of expenditure must be submitted, and the claim must be approved by the relevant Responsibility Manager.

10.5 Foreign official trips

10.5.1 For travelling abroad different allowance rates for different destinations are prescribed in terms of the DPSA Financial Manual.

10.5.2 For travelling abroad allowances are to be calculated where employees are away from headquarters for 24 hours or longer, and hourly thereafter. The calculation of the allowance shall take effect three (3) hours before flight departure and shall end three (3) hours after the return flight has landed.

10.5.3 Allowances are determined in the DPSA financial manual, and such allowances will be reduced by the following percentages when such are provided in hotel bookings:

(a) Breakfast 20%

(b) Lunch 20%

(c) Dinner 45%

(d) Incidental expenses 15% - covers tips, newspapers, room service, private telephone calls, soft drinks that are not part of meals.

11 COSTING FRAMEWORK

11.1 Costing principles

11.1.1 The principles contained in this section have been obtained from the Financial Manual issued by the Department of Public Service and Administration. (The manual applies to all public servants whose travel is paid for by public funds.) The following general principles apply:

(a) Expenses cannot be paid for twice, i.e., expenses included in any allowance cannot be claimed for as actual expenses and meals included in accommodation rates will be excluded from allowances, in the following manner: Breakfast 20%, Lunch 20%, Dinner 45% and incidental expenses 15%.

(b) When official NSG travel is approved, it is implied that business expenses will be reimbursed according to one of the frameworks listed below. (Where possible Travellers and approvers should endeavour to find the most benefit to NSG at the best possible cost, allowances for incidental expenses could possibly be re-negotiated. NSG may from time to time also consider implementing a dinner, bed, and breakfast policy for certain types of travel.)

Table 6: Allowances

Allowances for **International** travel as determined by the DPSA (taxable or non-taxable):	
• **Allowances for countries included in the list**	• **Countries no allowance is listed for**
"Special daily allowance": Three meals plus incidental expenses.	Three meals are paid for plus the "Special Daily Allowance to compensate for Incidental expenses" as for local travel.

OR

Allowances for **local** travel as determined by the DPSA (taxable or non-taxable)		
Fixed Daily Subsistence allowance, where actual expenses are not claimed.	**OR**	"Special Daily Allowance to compensate for Incidental expenses" where actual expenses are claimed.

OR

Actual expenses, where the actual expenses exceed the allowances granted. In cases such as this, supporting documents must be supplied for the total claim, i.e. for the allowance plus the amount claimed in excess.

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11.2 Expenses framework

11.2.1 The table below provides specific guidance related to expenses usually associated with travel.

Table 7: Expenses framework

Type of expense	NSG Comment/Condition
Laundry	NSG requirement: when away for 3 nights and longer. According to the Financial Manual by DPSA this is paid in addition to allowances. Domestic Travel - Reasonable actual expenditure for laundry, ironing or dry cleaning may be reimbursed to a Traveller, when staying in an accommodation establishment for longer than five (5) days, not exceeding R180.00 (irrespective of the total items to be submitted) on day five, and continuously every 5 days thereafter. Travellers must always submit receipts with the claims. Affidavits in lieu of receipts are not acceptable. International Travel – Reasonable actual expenditure for laundry, ironing or dry cleaning may be reimbursed to a Traveller when staying in an international accommodation establishment after the third day in the establishment. A maximum of eight (8) items every two (2) days may be laundered or dry cleaned. The Traveller must obtain prior approval for such expenses. Travellers must always submit receipts with the claims. Affidavits in lieu of receipts are not acceptable
Toll fees	Paid on presentation of supporting documentation.
Usage of business centres and communication	Most cost-effective mode of communication to be selected, i.e. fax, email, roaming in consultation with the cell phone policy of NSG.
Entertainment expenses	Principal's Actual expenses can be claimed if it is not covered by any "entertainment" or similar allowance.
Gratuities with meals	International: Custom of country visited.
	Local: 10%
Other gratuities/tips	NSG regards this as included in incidental expenses.

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Type of expense	NSG Comment/Condition
Travel clinic	NSG covers all expenses.
Passports/Visas	NSG pays for official passport and any visas required for an official travel.
Excess baggage	Refer to sub-paragraph 8.2.
Forex costs / Commissions	NSG covers all expenses.
Cancellation /no show	The Traveller will be held responsible if the TMC is not timeously informed of the cancellation.
Airport parking/ Shuttle service	The most cost effective and safe method should be used depending on the airport and country. (At OR Tambo the off-site parking at the airport should be considered.)

11.3 Travel Insurance

11.3.1 The Traveller must familiarise him/herself with the relevant terms of the NSG's Insurance Policy before embarking on his/her journey and must always adhere to it.

11.3.2 The following arrangements are applicable to employees and non-employees:

a) Medical Insurance

(i) In the case of sickness during a domestic trip, the Traveller will be responsible for his/her own medical expenses.

(ii) In the case of injury during a domestic trip, the Traveller will be responsible for his/her own medical expenses.

(iii) For international trips, the NSG will arrange insurance cover that includes medical and other related travel expenses.

b) Baggage Insurance

(i) No insurance is offered for domestic trips as the NSG carries its own risk. Each case of loss or damage will be considered on its own merit.

(ii) In the case of damage to or loss to a Traveller's property (excluding vehicles), the Traveller can claim compensation in terms of the NSG Policy and Procedure on Losses and Claims, if the damage or loss is not covered in term of an insurance policy.

c) Car Insurance

(i) The State shall bear its own damage and accident risks.

(ii) The NSG self-insures vehicles rented for official purposes in South Africa. The Traveller must decline waivers offered by the car rental company.

(iii) Whenever a vehicle is rented in any country outside the Republic of South Africa, the Comprehensive Motor Vehicle Insurance (Collision and Damage Waiver, Theft Waiver and Personal Liability) offered by car rental companies should be accepted.

(iv) In the event of an accident, the Traveller must notify the car rental company immediately and report it within 24 hours at the nearest Police Station to obtain a case number. The Traveller should also notify NSG Loss Control Officer and the TMC. The incident report required by the car rental company should be completed within the period specified, failing which the Traveller could be held responsible for all damage charges.

(v) Private vehicles utilised for official trips should be insured by the owner of the vehicle. Wear and tear on the vehicle, including the replacement of tyres due to mileage is included in the rate per kilometre as determined by the Department of Transport.

d) Expiry of International claims

(i) Unless prior arrangement has been made with the CFO, expense claims expire **21 working days** after the official's return to the office.

12 REPORT BACK

12.1 Sharing knowledge

12.1.1 When Travellers travel for the benefit of NSG, care should be taken to ensure that the knowledge gained is shared.

12.1.2 Official NSG travel is travel that benefits NSG. It enables NSG to deliver on its mandate, either directly (such as travelling to Nelspruit to present training) or indirectly (such as travelling locally or internationally to gain knowledge about public sector management).

12.1.3 For International trips, Travellers must prepare and distribute a written comprehensive 'Back to Office Report" after their return to office. (The format and distribution of the report will depend on the type of visit. Some of these reports also need to be submitted to the Minister.)

12.2 Accountability

12.2.1 The Director General is accountable for implementation of this policy and reserves the right to intervene and take the necessary steps when the policy is not adhered to.

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The accountability may be delegated by the Principal to a relevant senior manager within NSG.

12.2.2 To ensure all parties involved in the process take full accountability for the actions taken by them the following reports should be prepared and presented regularly:

Table 8: Travel reports

Report	Prepared by	Presented to	Frequency
Outstanding advances	Finance	Branch heads	Monthly
Airline reward programme reconciliation	TMC	CFO	Quarterly
Credit card statement reconciliation	TMC	CFO	Monthly
Travel overview (Brief summary of BTOR including an analysis of the cost.)	Traveller	Branch Heads, Principal	Quarterly
Exception reporting Deviations from approved travel request	Finance	Branch Heads/Principal	Quarterly

13 OTHER MATTERS

13.1 Airline Reward Programmes

13.1.1 If the benefits of such programmes exceed the costs, NSG may from time to time decide to become a corporate member of an Airline Reward Programme. All Travellers may enjoy the benefits of these Airline Reward Programmes provided that the NSG is the corporate member and does not lose any of the benefit of free travel "miles" earned. The fact that NSG **and/or any Traveller are members of an Airline Reward Programme should not override the SCM principle to procure at the best possible price**, unless otherwise determined by the corporate agreement with the airline.

13.2 Private travel

13.2.1 Personal travel may be combined with an official authorised trip if it does not conflict with the conduct of NSG business and does not lead to additional expenses for NSG. Additional expenses incurred in connection with personal travel will not be reimbursed and must be paid by the official. Where personal travel is planned for working days, a signed leave form must be submitted to HRM&D prior to the Traveller's departure.

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13.3 Sponsored Trips

13.3.1 Although trips sponsored by other organizations are considered official, it will not be the responsibility of the NSG to make travelling arrangement thereof. As a result, NSG will not incur any expenditure to that effect, except S&T allowances.

14 DEVIATIONS AND NON-COMPLIANCE

14.1 An official of the NSG who fails to comply with this Policy may be charged with misconduct. The Accounting Officer must ensure that disciplinary steps are taken against such official in accordance with the applicable disciplinary code and procedure.

14.2 Any disciplinary action arising from the breach of this Policy shall be taken according to the disciplinary code and grievance procedure of the NSG.

14.3 All officials must declare their interests in accordance with the National Treasury Regulations.

14.4 Where an official is suspected of breaching the policy, an internal investigation must be undertaken and depending on the outcome, disciplinary action must be instituted against such official.

14.5 Any deviation from this Travel Policy must be approved by the Accounting Officer or delegated authority of the NSG.

15 EXCEPTIONS

15.1 Should there be any cases/scenarios not covered in this policy, the CFO or delegated authority could be approached with full details to determine whether the exception will still be within the scope of the framework.

16 RESPONSIBILITY FOR POLICY IMPLEMENTATION

16.1 All branches are responsible for effective implementation of this policy.

17 OVERALL ACCOUNTABILITY

17.1 The Head of Department is accountable for overall implementation of this Policy and reserves the right to intervene and take the necessary steps when the Policy is not adhered to.

18 REVIEW OF POLICY

18.1 The CFO and the SCM Directorate may review the appropriateness of this policy when required due to changes in prescripts.

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18.2 The amounts of allowances will be amended via circular as and when required.

19 VALIDITY OF POLICY DOCUMENT

19.1 In an event of any doubt about the authenticity of this policy document, the document signed by the Principal should be considered as the only document with validity, authority and a force of law.

20 EFFECTIVE IMPLEMENTATION DATE

20.1 Unless specifically expressed in the document, this Policy should be deemed to take effect on the day it is approved by the Principal.

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Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

NATIONAL SCHOOL OF GOVERNMENT
INTERIM TRAVEL GUIDELINE

Learn Grow Serve

Principal: National School of Government

14/10/2024

Date

1 PURPOSE

1.1 The purpose of the guideline is to provide an interim framework for the management of travel, accommodation, and related expenditure in response to National Treasury Instruction No.1 of 2024/2025 whilst the NSG's Travel Policy is being reviewed.

2 GUIDELINE OBJECTIVES

2.1 The key objective of this document is:

2.1.1 To provide a framework for consistent decision making with the view to facilitate travel, at the expense of NSG, by officials and other defined individuals or groups.

2.1.2 To set parameters within which officials and defined individuals and groups may claim reimbursement for costs incurred prior to, during and after the trip has been undertaken.

2.1.3 The Guideline does not replace the NSG Travel Policy. Instead, it is meant to address gaps not covered by the National Treasury Instruction. In cases where there are discrepancies between the guideline and the policy, the guideline takes precedence over the policy.

Table 1: Scope of application of the guideline

[illegible]	[illegible]	[illegible]
All levels of NSG employees and members of NSG Committees/ Councils/ Panels	Delivering on NSG mandate.	NSG travel policy applies.
Individuals employed by NSG on contract in terms of the Public Service Act (Contract employees & Secondments)	Delivering on NSG mandate.	NSG travel policy applies.
Panel of Experts /Consultants, Interpreters or translators and Facilitators employed by Higher Educational Institutions	Delivering training and other services as per TORs and specific contracts.	These Travellers are compensated in accordance with the contractual agreements in place with the individual or their employer, which may include addendums with standard rates for each type of travel. The NSG travel policy does not apply.

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Trainees and / or Project Partners	Guests of NSG.	This policy does not apply unless the agreement between NSG, and the third party refers to it.
Interview candidates	Individuals attending interviews	NSG travel policy applies.
NSG Fellows	Delivering on NSG mandate.	NSG travel policy applies.[1]

3 APPROVAL FRAMEWORK

3.1 Travel Authorization

3.1.1 Accommodation

Domestic Accommodation

(a) Maximum allowable rates are per star grading and type (Bed-and breakfast or dinner-bed-breakfast) for domestic accommodation within which a traveller is allowed to be accommodated in accordance with his/her organisational level or positions within the institution.

(b) AO/Principal must ensure that domestic accommodation expenditure does not exceed maximum allowable rates set out in the table below domestic accommodation rate grid.

Table 2: Designation and accommodation star grading

[illegible]	[illegible]
Director-General / Principal	4 Star
Deputy Director-General	4 Star
All other employees (unless approved otherwise by the Accounting Officer or delegated authority)	3 Star

(c) The domestic accommodation selected must not exceed the maximum allowable rate as prescribed by the in the table below. Any exception rule must be approved by the Accounting Officer/Principal or the Chief Financial Officer.

[1] Members of the NSG Fellowship Programme will be regarded as Director-General for travel and accommodation purposes

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Table 3: Accommodation Grid

[illegible]		
	Bed & Breakfast	Dinner, Bed and Breakfast
	Tourism Levy	Tourism Levy
	VAT	VAT
Approved Rates for Graded Hotels		
3 Star Property	R 1 700,00	R 1 900,00
4 Star Property	R 2 200,00	R 2 500,00

(d) When choosing a domestic accommodation, the TMC must provide at least three quotations and officials must choose the lowest rate available at a suitable accommodation establishment within reasonable distance from place of duty.

(e) Officials who, during official business travel, opt for private accommodation (e.g. staying with family or friends) instead of government-funded lodging where domestic hotel accommodation was warranted, will be compensated with a daily camping allowance of R209,00 for all the nights spent away.

(f) In all cases the principle of cost-effectiveness must prevail. The lowest rate available at suitable accommodation establishments within reasonable distance from the place of work, the travel booker will determine the most appropriate star rating, based on an assessment of government business requirements and total cost of travel (typically, accommodation rates plus transportation costs).

3.2 Local travel by road

3.2.1 Private travel

The normal travel between the place of residence of the Traveller and the NSG office is regarded as private travel.

3.2.2 Business travel

(a) For staff on salary levels 1 to 10 and MMS, privately owned vehicles may only be used if prior approval has been obtained from the relevant Branch Head and no NSG vehicles are available (confirmation for non-availability of vehicles will be required, from the relevant unit). Staff members are reimbursed for official kilometres travelled according to rates published by the

Department of Transport from time to time. NSG vehicles must be used in line with the relevant prescripts.

(b) SMS Travellers are encouraged to use own transport or e-hailing services for business travel, where it is cheaper to do so. Shuttle services should be considered in circumstance where it carries the least cost amongst the other options available and must be authorised in terms of the delegations.

4 SUBSISTENCE ALLOWANCES

4.1 Local official trips more than 24 hours

4.1.1 Table 4 below outlines the fixed special daily subsistence allowances.

Table 4: Approved Special Allowance rates

SPECIAL ALLOWANCE	
Daily rate	R 171,00
Hourly rate	R 7,13

4.2 Allowances for meals

4.2.1 Annexure B of the approved NSG Travel policy outlines the maximum amount of meal allowance as reviewed yearly reviewed by the DPSA. The approved amounts are as follows:

Table 5: Approved Meal Allowances

S&T Allowance	
Breakfast	R 120,00
Lunch	R 170,00
Dinner	R 190,00
Total	**R 480,00**
S&T Claims may be accepted based on the guideline. Details include: • Parking • Public Transport • Toll Fees	
IMPORTANT NOTE: ALL OTHER COSTS INCURRED ARE FOR THE INDIVIDUALS ACCOUNT	

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Department:
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Annexure A2

TRAVEL MANAGEMENT SERVICES

EVALUATION CRITERIA

ANNEXURE A2: DESKTOP EVALUATION TECHNICAL SCORECARD AND COMPLIANCE CHECKLIST

The form must be submitted in File 1 (Technical file), Exhibit 2

EXAMPLE OF HOW THE BIDDER MUST COMPLETE THE COMPLIANCE CHECKLIST:

Section No	Technical Criteria	Reference page in Proposal	Comments
1.2	**Experience of the bidder**	Exhibit 2: Page 9 to 12	Bidder to summarise the motivation of compliance, partial compliance or non-compliance to the requirement.
2.1	**Manage all reservations and bookings**	Exhibit 2: Page 13 to 15	Bidder to summarise the motivation of compliance, partial compliance or non-compliance to the requirement.
2.2	**Manage all refunds and non-refundable airline-tickets**	Exhibit 2: Page 17 to 20	Bidder to summarise the motivation of compliance, partial compliance or non-compliance to the requirement.

EXAMPLE OF A RATING SCALE THAT BEC MEMBERS MAY USE

Rating	Definition	Score
Excellent	**Exceeds** the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, and resource and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	**5**
Good	**Satisfies** the requirement with **minor additional benefits**. Above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and	**4**

	quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	
Acceptable	**Satisfies** the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services, with supporting evidence.	**3**
Minor Reservations	Satisfies the requirement with **minor reservations**. Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	**2**
Serious Reservations	Satisfies the requirement with **major reservations**. Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	**1**
Unacceptable	**Does not meet the requirement**. Does not comply and/or insufficient information provided to demonstrate that the supplier has the ability, understanding, experience, skills, resource & quality measures required to provide the goods / services, with little or no supporting evidence.	**0**

The Bidders will be evaluated according to the technical evaluation criteria in the scorecard below.

Bidders must indicate their ability to do the following and to substantiate as required with supporting documentation.

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
TO BE COMPLETED BY THE TENDERING INSTITUTION				*TO BE COMPLETED BY THE BIDDER*	
DESKTOP EVALUATION		80			
1	GENERAL	[illegible]	SECTION 15.3.2		
1.1	Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.	5	Section 15.3.1 (j)		
1.2	Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 years) which are of a similar size to the NSG whom we may contact for references. The letter must include: company name, contact name, address, phone number, and duration of contract, value of the travel expenditure, a brief description of the services that you provided and the level of satisfaction.	2	Section 15.3.1 (k)		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			***TO BE COMPLETED BY THE BIDDER***	
1.3	ASATA (Association of South African Travel Agents) Membership. Provide proof of such membership.	1	Section 15.3.1 (l)		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
2	**RESERVATIONS**	[illegible]	**SECTION 15.3.2 TO 15.3.6**		
2.1	**Manage all reservations/ bookings.** Describe how all travel reservations/ bookings are handled e.g. hotel (accommodation); car rental; flights etc. This will include, without limitation, an example of a detailed complex itinerary confirmation that includes air, car, hotel, passport requirement, confirmation numbers and additional proof of competency.	15	Section 15.3.2 Section 15.3.3 Section 15.3.4 Section 15.3.5		
2.2	**Manage group bookings.** Describe your capabilities for handling group bookings (e.g. for meetings, conferences, events etc.). Please specify if these bookings would be done by the TMC or outsourced.	2	Section 15.3.2 (i)		
2.3	**Directly negotiated rates** Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by	1	Section 15.3.2 (q)		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
	National Treasury or by the NSG are **non-commissionable**, where commissions are earned for the NSG bookings, all these commissions should be returned to the NSG on a quarterly basis. Describe how these specific rates will be secured. Describe any automated tools that will be used to assist with maintenance and processing of the said negotiated rates.				
2.4	**Manage airline reservations.** Describe in detail the process of booking the most cost-effective and practical routing for the traveller. This will include, without limitation, the refund process and how you manage the unused non-refundable airline tickets, your ability to secure special airline services for traveller(s) including preferred seating, waitlist clearance, special meals, travellers with disabilities, etc.	5	Section 15.3.3		
2.5	**After-hours and emergency services** The bidder must have capacity to provide reliable and consistent after hours and	5	Section 15.3.6		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			TO BE COMPLETED BY THE BIDDER	
	emergency support to traveller(s). Please provide details/ Standard Operating Procedure of your after-hour support e.g. - how it is accessed by Travellers, - where it is located, centralized/ regionalised, in-country (owned)/ outsourced etc. - is it available 24/7/365 - Reminders to the NSG to process purchase orders within 24 hours to reduce queries on invoices				
3	COMMUNICATION	5	SECTION 15.4		
3.1	Describe how you will ensure that travel bookers are informed of the travel booking processes. Describe your communication process where the traveller, travel co-ordinator/booker and travel management company will be linked in one smooth continuous workflow.	5	Section 15.4		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
4	FINANCIAL MANAGEMENT	5	SECTION 15.5		
4.1	Describe how you will implement the negotiated rates and maximum allowable rates established either by the NSG or the National Treasury. Describe how you will manage the 30-day bill-back account facility. Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities. Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to the NSG Please describe credit card reconciliation process, timing and deliverables (if applicable).	5	Section 15.5		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			TO BE COMPLETED BY THE BIDDER	
5	TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING	5	SECTION 15.6		
5.1	Describe the proposed booking system e.g. Global Distribution System (GDS), Online Booking Tool (OBT) or Self-Booking tool (SBT). Describe how travel consultants access and book web airfares i.e. non-GDS inventories (low cost carriers/ consolidators), and hotel web rates. Describe how you will manage data and management information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, transaction level data, etc. (refer to the detail in **Section 15.6.6**) Give actual examples of standard reports that you currently have available. Give an indication if reports can be customised. Provide a description of all technology and reporting products proposed for the NSG. Can the TMC comply with the NSG's monthly reporting requirement as prescribed by National Treasury? See Monthly Reporting Template	5	Section 15.6		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
	prescribed by National Treasury Instruction No 3 of 2016/17. Describe the compatibility of your online solution to fully integrate into the NSG's ERP. Indicate the turnaround time to complete this process and a breakdown of the expected cost that will be associated with it (in case the NSG decide to integrate)				
6	ACCOUNT MANAGEMENT	10	SECTION 15.7		
6.1	Provide the proposed Account Management structure / organogram. Describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service. Describe how queries, requests, changes and cancellations will be handled. What is your mitigation and issue resolution process? Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure must be submitted.	10	Section 15.7.1 and 15.7.2 Section 15.7.3 Section 15.7.4 Section 15.7.5		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
	What is in place to ensure that the NSG's travel Policy is enforced. How will you manage the service levels in the SLA and how will you go about doing customer satisfaction surveys? Indicate what workshops/training will be provided to Travellers and /or Travel Bookers.		Section 15.7.6 Section 15.7 7		
7	VALUE ADDED SERVICES	1	SECTION 15.8		
7.1	Please provide information on any value-added services your company can offer.	1	Section 15.8		
8	COST MANAGEMENT	5	SECTION 15.9		
8.1	Describe your detailed strategic cost savings plan for the contract duration. What items do you target for maximum cost savings results? Describe how you will assist the NSG to realise cost savings on annual travel spend.	5	Section 15.9		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
TO BE COMPLETED BY THE TENDERING INSTITUTION				TO BE COMPLETED BY THE BIDDER	
9	QUARTERLY AND ANNUAL TRAVEL REVIEWS	3	SECTION 15.10		
9.1	Provide a sample of a Quarterly and Annual review used for performance management during the life cycle of the contract.	3	Section 15.10		
10	OFFICE MANAGEMENT	10	SECTION 15.11		
10.1	Provide an overview of your back-office processes detailing the degree of automation for air tickets workflow, ground arrangements and bill back workflow. Describe roles and responsibilities of assigned staff. Please provide the management hierarchy. Describe type of training provided to travel agency personnel	10	Section 15.11		

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
	TO BE COMPLETED BY THE TENDERING INSTITUTION			*TO BE COMPLETED BY THE BIDDER*	
	Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes, etc.				
PRESENTATION		**20**			
	Part A: presentation must not exceed 60 minutes				
	- Summary of the proposal	10			
	- Value added Services - Provide information on any value-added services that can be offered to the NSG.	2			
	- Cost saving strategy - Describe and provide examples of cost savings initiatives implemented and achieved at previous clients. Indicate what items were targeted for maximum cost savings results	3			

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
TO BE COMPLETED BY THE TENDERING INSTITUTION				*TO BE COMPLETED BY THE BIDDER*	
	- How the TMC will assist with improving traveller behaviour.	2			
	- Reference checks	2			
	- Q&A on technical submission.	1			

BIDDER DECLARATION (Section 22)

The bidder hereby declare the following:

We confirm that ____________________ (Bidder's Name) will: –

a. Act honestly, fairly, and with due skill, care and diligence, in the interests of the NSG;
b. Employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
c. Act with circumspection and treat the NSG fairly in a situation of conflicting interests;
d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the NSG;
f. Avoid fraudulent and misleading advertising, canvassing and marketing;
g. Conduct business activities with transparency and consistently uphold the interests and needs of the NSG as a client before any other consideration; and
h. Ensure that any information acquired by the bidder(s) from the NSG will not be used or disclosed unless the written consent of the client has been obtained to do so.

Signature__________________________________ *Date*____________________

*Print Name of Signatory:*______________________________

Designation: ______________________________________

FOR AND ON BEHALF OF: ______________________________*(Bidding Company's Name)*

ANNEXURE A3

school of government

Department
National School of Government
REPUBLIC OF SOUTH AFRICA

PRICING SUBMISSION

RFP NO:	NSG BID: NSG/BID/05/2024/2025
RFP NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	<NAME OF BIDDER TO BE FILLED IN HERE>

PRICE INSTRUCTIONS

1. STRUCTURE OF THE TENDER

This spreadsheet for **NSG/BID/05/2024/2025** contains the financial response templates for the bid. The bid pricing submission instructions in this document must be read in conjunction with instructions or notes embedded in the various tabs of spreadsheet (Pricing Schedule).

2. GENERAL INSTRUCTIONS FOR COMPLETING THE PRICING SCHEDULE TEMPLATES

2.1 Tender submission format

2.1.1 Bidders must submit a paper copy and an electronic copy of the Pricing Schedule. In the event of a discrepancy, the paper copy will prevail.

2.1.2 Bidders must sign all paper copies of their Pricing Schedule.

2.1.3 Bidders must complete and submit the templates attached ,which is/are management fee model offsite, transactional fee model offsite

2.1.4 Bidders must reference RFP/BID main document section 15.2 for current travel volumes.

2.2 Input spreadsheets

2.2.1 The Pricing Schedule templates are contained within the one (1) Excel Workbook

2.2.2 Bidders must not make any changes to the spreadsheets or change the formatting of the Pricing Schedule.

2.2.3 Cells are formatted to automatically indicate South African Rands, ordinary text fields and percentages (%) where applicable.

2.2.4 Input cells FOR BIDDERS are highlighted in **GREEN.** The Bidder must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.

2.2.4 Input cells FOR THE TENDERING INSTITUTION are highlighted in ORANGE. The Tendering Institution must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.

2.3 Currency and VAT

2.3.1 All Bidders' pricing must be quoted in South African Rands (ZAR).

2.3.3 The Pricing Schedule template is designed such that VAT will be calculated on Bidders' input pricing; therefore Bidders **must** complete the templates with **unit prices excluding VAT**.

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Department: National School of Government
REPUBLIC OF SOUTH AFRICA

TEMPLATE 2: TRANSACTION FEE MODEL
OFF-SITE SERVICES

RFP NO:	NSG BID: NSG/BID/05/2024/2025
RFP NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	<NAME OF BIDDER TO BE FILLED IN HERE>

1.1 TRANSACTION FEES

			TRADITIONAL BOOKINGS			ONLINE BOOKINGS		
ITEM	**Transaction Type**	**Estimated Volume**	**Unit Price (excl VAT)**	**Unit Price (incl VAT)**	**TOTAL Price (incl VAT)**	**Unit Price (excl VAT)**	**Unit Price (incl VAT)**	**TOTAL Price (incl VAT)**
1	Air Travel – International	50		R -	R -		R -	R -
2	Air Travel – Regional	20		R -	R -		R -	R -
3	Air Travel – Domestic	1000		R -	R -		R -	R -
4	Air Travel – International (Re-issue)	5		R -	R -		R -	R -
5	Air Travel – Regional (Re-issue)	5		R -	R -		R -	R -
6	Air Travel – Domestic (Re-issue)	100		R -	R -		R -	R -
7	Refunds – Air Domestic	5		R -	R -		R -	R -
8	Refunds – Air Regional	5		R -	R -		R -	R -
9	Refunds – Air International	5		R -	R -		R -	R -
10	Car Rental – Domestic	500		R -	R -		R -	R -
11	Car Rental – Regional	10		R -	R -		R -	R -
12	Car Rental – International	10		R -	R -		R -	R -
13	Transfers/Shuttle – Domestic	200		R -	R -		R -	R -
14	Transfers/Shuttle – Regional	10		R -	R -		R -	R -
15	Transfers/Shuttle – International	10		R -	R -		R -	R -
16	Accommodation – Domestic	1000		R -	R -		R -	R -
17	Accommodation – Regional	10		R -	R -		R -	R -
18	Accommodation – International	20		R -	R -		R -	R -
19	Bus/Coach Bookings	5		R -	R -		R -	R -
20	Train bookings – International	5		R -	R -		R -	R -
21	Visa Assistance (Provision of documents and advice)	5		R -	R -		R -	R -
22	Courier services for travel documentation	10		R -	R -		R -	R -
23	SMS Notifications	2000		R -	R -		R -	R -
24	Parking bookings	50		R -	R -		R -	R -
25	Cancellations	10		R -	R -		R -	R -
26	Changes to bookings	10		R -	R -		R -	R -
27	After Hours Services	10		R -	R -		R -	R -
28	Additional Ad-hoc Reports (per report)	10		R -	R -		R -	R -
29	Customised Reports (per report)	12		R -	R -		R -	R -
30	Travel Lodge card Reconciliation	12		R -	R -		R -	R -
31	Debtors Account Reconciliation	12		R -	R -		R -	R -
32	Other (Specify)			R -	R -		R -	R -
33	Other (Specify)			R -	R -		R -	R -
34	Other (Specify)			R -	R -		R -	R -
35	Other (Specify)			R -	R -		R -	R -
36	Other (Specify)			R -	R -		R -	R -
	Total	5116			R -			R -
	Percentage Split between Online Booking and Traditional Booking		Percentage Traditional	40.00%	0	Percentage Online	60.00%	0

PRICE THAT WILL BE USED FOR EVALUATION PURPOSES **R -**

1.2 CONFERENCE TRANSACTION FEE

Item	Description	Percentage Fee	Comment
1	Conference Transaction Fee (as a % of the Total turnover of the event)		

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National School of Government
REPUBLIC OF SOUTH AFRICA

RFP NO:	NSG BID: NSG/BID/05/2024/2025
RFP NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	<NAME OF BIDDER TO BE FILLED IN HERE>

Price Declaration

Dear Sir/Madam,

Having read through and examined the Request For Proposal (RFP) Document, the General Conditions, The Requirement and all other Annexures to the RFP Document, we offer to provide **OFF-SITE** travel management service to the National School of Government (NSG) at the following total amounts (including VAT)

Template 2: Transaction Fee (Off-Site)		
R -	(incl. VAT)	
In words:		

We undertake to hold this offer open for acceptance for a period of 180 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of service when required to do so by the **the NSG**

We understand that **the NSG**are not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance not to divulge to any persons, other than the persons to which the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

Signature:	Date

Print name of signatory: ....

Designation: ....

FOR AND ON BEHALF OF: COMPANY NAME

Tel No: ....
Fax No: ....
Cell No: ....
Email:...

ANNEXURE A4

SERVICE LEVEL INDICATORS

First Edition

January 2017

SERVICE LEVEL INDICATORS

1. INTRODUCTION

The purpose of the Service Level Indicators is to guide and document the expectations and requirements of the services to be rendered to the Tendering Institutions by the Service Provider.

This document may be used as the benchmark against which reviews and, as appropriate, modifications to the service provided by the Service Provider shall take place.

2. KEY PERFORMANCE INDICATORS

Key performance indicators (KPIs) are management tools designed to monitor supplier performance and help meet the goals, objectives and service levels of the contract.

The KPIs must help point you in a direction, improve performance levels, identify breakdowns in a process and are a driver of continuous improvement for more efficient and sustainable procurement processes.

KPIs should be relevant to your institution and should be simple to use. When developing the KPIs, no more than 10 (ten) should be enough. You don't want to become overwhelmed and find yourself serving the KPIs rather than having them serve you.

Following KPIs shouldn't be about hours of gathering data. If you are establishing your first KPIs, start with just a couple so that everyone can understand them and their purpose. You can always add more KPIs later.

2.1 How should you set up your KPIs?

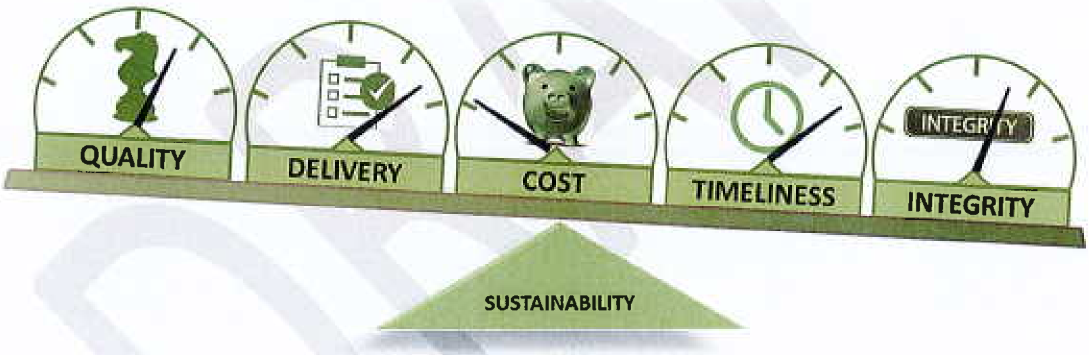
- Before starting to establish KPIs, you should figure out what your stakeholders need and what are the institution's strategies and objectives for the future. It starts with meeting the management as well as other stakeholders.
- Look for ways the supply chain unit can help meet them, and then look for metrics that reveal your progress towards achieving those goals. There is no one-size-fits-all formula for all departments and the goals as well as the KPIs are most usually custom.

- Introduce the newly established KPIs to procurement employees as well as all the stakeholders. Everyone should be well aware about the metrics, the reporting as well as the goals of them.
- The metrics should then be signed off by management in order to maintain accountability, and later on they will be reported on in future progress meetings.

2.2 Major groups of KPIs

The goals of KPIs can be divided into five major groups according to their purpose: receive savings (Cost), increase quality (Quality), improve delivery (Delivery), timeliness of actions (Timeliness), improved transparency (Integrity) and improved productivity (Systems Productivity).

All groups are tightly bound together and it's important to understand that these are like an octopus: if you are setting up your KPIs from only one of the groups, you don't want to harm any of the others because it might decrease supply sustainability.



3. RANGE OF SERVICES

The Services rendered are reflected in the Scope of Work (Annexure A1 Paragraph 15).

4. MEASUREMENT CRITERIA

The following table lists a comprehensive number of Key Performance Areas and Indicators. The Tendering Institution must select the most relevant KPA and KPIs and include it in their contracts and quarterly and annual reviews of the contract. Tendering Institutions may change the descriptions, targets and frequency of measurement according to their needs.

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
GENERAL					
Hours of operation	Rendering services throughout working hours. Monday to Friday (8h00 – 17h00)	100%	Monthly/Quarterly Review		15.3.1(b)
After hours/emergency services	After hours services must be rendered Monday to Friday outside normal official hours(17h00 to 8h00) and 24 hours on weekends and Public Holidays	100%	Monthly/Quarterly Review		15.3.1(b) 15.3.6
Travel Policy Implementation	Controls put in place to ensure policy compliance	80%	Monthly/Quarterly Review		15.3.1(e)
Traveller Profiles	All travellers must be set up with a personal profile.	80% of travellers	Monthly/Quarterly Review		15.3.1 (g)
Third Party Management	Manage the third party service providers by addressing service failures and complaints against these service providers	80%	Monthly/Quarterly Review		15.3.1(h)
RESERVATIONS					
Turnaround times to acknowledge requests	Turnaround time on domestic bookings And point to point international bookings within 4 working hours	80% of bookings within 4 hours	Monthly/Quarterly Review		15.3.2(h)
	Turnaround time for quotations on multi-sector regional and international air travel within 24 hours	80% of bookings within 24 hours	Monthly/Quarterly Review		15.3.2(h)

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
	Prioritise last minute booking for same day travel within 1 hour	90% of bookings within 1 hour	Monthly/Quarterly Review		15.3.2(h)
	Response to change or cancellation of bookings within 4 hours	90% of changes & cancellations within 4 hours	Monthly/Quarterly Review		15.3.2(h)
Group Bookings	Number of group bookings facilitated	100% of all requests	Quarterly		15.3.2(i)
	Consultant to acknowledge receipt of enquiries/bookings within 3 hours or receipt	95%	Ad hoc/Quarterly		15.3.2 (i)
	Consultant to provide quotations within 2 business days of receiving enquiry	95%	Ad hoc/Quarterly		15.3.2 (i)
	In the event that a consultant need additional time to get prices from a venue, it must be communicated to the client concerned	95%	Ad hoc/Quarterly		15.3.2 (i)
	Vouchers to be issued within a day prior to the event (short notice due to high volumes of changes)	95%	Ad hoc/Quarterly		15.3.2 (i)
	Consultant to provide ongoing feedback to the booker until the booking is confirmed	95%	Ad hoc/Quarterly		15.3.2 (i)
	No voucher can be issued without an electronic or manual authorisation. The information must reflect correctly and signed by the booker and the authoriser	95%	Ad hoc/Quarterly		15.3.2 (i)
	All contracts must be signed by the Client's authoriser	95%	Ad hoc/Quarterly		15.3.2 (i)

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
	Any additional items required at the venue/during the conference should be signed off by the authoriser	95%	Ad hoc/Quarterly		15.3.2 (i)
	All invoices will be sent to the booker for verification before payment.	95%	Ad hoc/Quarterly		15.3.2 (i)
Support & Advice	TMC will support and assist with advice, documentation for passports and visa applications, inoculation requirements, foreign currency, insurance, etc.	50% of all requests	Monthly/Quarterly Review		15.3.2(j), (k), (l), (p)
	Facilitate the correct and timely order for foreign currency for regional and international trips	100%	Monthly/Quarterly		15.3.2 (l)
	Issue a Travel Insurance Policy for regional & international travel and hand traveller detail of the policy	100%	Monthly/Quarterly		15.3.2(l)
Commissions earned	Commissions earned on government business, paid back to the client on a quarterly basis.	100% of all commission earned for government business	Quarterly		15.3.2(q)
AIR TRAVEL, ACCOMMODATION, CAR RENTAL & SHUTTLE SERVICES					
Price comparisons/	Domestic Reservations: 3 price comparisons. TMC will offer the lowest possible quotations for the journey at the requested date and time. Alternative options will be offered if the discounted classes are not available at time of travel to allow for an hour window before and after the requested time (best quote)	90% of all bookings to be the lowest/best quote	Monthly/Quarterly Review		15.3.3(d) 15.3.4(b)
	International Reservation: 3 price comparisons which provides the most cost effective and practical routing.	90% of all bookings to be the lowest/best quote	Monthly/Quarterly Review		15.3.3(b); (c)

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
Reservations Communication	Confirmations of bookings (air, accommodation, car rental, etc) must be communicated to the traveller via SMS and/or email.	100% of all bookings	Monthly/Quarterly Review		15.3.3(f), (j) 15.3.4(e) 15.3.5(b),(c)
Air Travel Cancelled and Unused tickets/	All cancelled and/or unused tickets must be refunded automatically within 3 months of date of issue	80%	Quarterly		15.3.3 (h)
Air Travel; Quality Control	Process to confirm best fare for international tickets with more than 6 sectors	95%	Monthly/Quarterly Review		15.3.3(c)
Accommodation	Accommodation bookings that were not within the Maximum allowable rates and reasons.	Number	Monthly/Quarterly Review		15.3.4(a),(b),(d),(f).
	Cancellations and no-shows	Number	Monthly/Quarterly Review		15.3.4(g)
Car Rental & Shuttle Services	Car Rental bookings that were not in line with the travel policy and cost containment measures and reasons	Number	Monthly/Quarterly Review		15.3.5(a)
AFTER HOURS & EMERGENCY SERVICES					
After hours & Emergency Services	After hours and emergency services operates 365 days per year.	100%	Monthly/Quarterly Review		15.3.6(c)
	Contact numbers correct on itineraries and client SMS notifications	100%	Monthly/Quarterly Review		15.3.6(d)
	Emergency and after hours calls to be resolved within 1 hour to limit inconvenience to traveller	80% of all emergency and afterhours requests	Monthly/Quarterly Review		15.3.6 (d)
	Authorisation and order processing of afterhours and emergency travel requests to be done within 24 hours	100% of all bookings to be authorised within 24 hours	Monthly/Quarterly Review		15.3.6(e)

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
COMMUNICATION					
Communication	Workshops and Training provided to Travel Bookers	Number of workshops / training sessions And Number of personnel trained	Quarterly / Annually		15.4.1
	All enquiries must be investigated and prompt feedback to be provided within 24 hours	80% of all enquiries within 24 hours	Quarterly / Annually		15.4.2
FINANCIAL MANAGEMENT					
Financial management:	TMC will batch invoices weekly and these will be delivered by hand to the client's Financial department, who in turn will acknowledge receipt with a signature and date.	100% of all invoices	Monthly		15.5.2 15.5.8
	Cost effectiveness of travel arrangements. Savings generated / Savings missed / Cost reduction / Cost avoidance	±3-5% of travel spend	Monthly/Quarterly Review		15.5.3
	All invoices to reflect the correct passenger name, date of travel, destination/routing and cost centre number	95% of all invoices	Monthly		15.5.2
	Accurate reconciliation of the lodge card and Debtor's account	95%	Monthly		15.5
	The credit card statement/Debtors account statement will be accompanied by invoices and will be reconciled accordingly	95%	Daily/Weekly		15.5
	TMC to process all invoicing for air immediately	95%of all air bookings	Daily		15.5

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
	TMC to process all invoicing for third party bookings within 3-7 days of receipt of the original invoice from the supplier.	95% of invoices within 3-7 days	Ongoing		15.5
	All Credit notes to be processed within 2 working days	95% of all credit notes within2 days	Ongoing		15.5
	All finance related queries to be logged in a queries register and all queries to be resolved within 2 business days	100% queries registered. 90% queries resolved within 2 days	Monthly/Quarterly Review		15.5
	TMC will immediately report Lodge Card fraudulent transactions to the Department.	100%	As soon as a fraudulent transaction or suspicion thereof is noticed		15.5
TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING					
Technology, Management Information and Reporting	Three Standard Reports in line with National Treasury Cost Containment Instruction	100%	Monthly		15.6.4
	Accuracy of reports	95%	Monthly		15.6.3
	Monthly travel management reports to be presented to the client's travel manager and finance manager. The report to include (not limited): - Summary of total travel spend - Total expenditure by Air Carrier - Detailed accommodation facility spend - Cost savings report - Exception reports - Unused ticket report - Uninvoiced voucher report - Invoices not paid within 30 days	95% accuracy	Monthly/Quarterly Review		15.6.8

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
ACCOUNT MANAGEMENT					
Handling of Compliments and Complaints	All complaints related to TMCs service to be recorded as a ratio of complaints to number of transactions. The ratio must be less than 1%.	Ratio of number of complaints to number of transactions to be less than 1%	Monthly/Quarterly Review		15.7.4
	Where possible all complaints to be acknowledged within 3 hours of receipt	95% of all complaints within 3 hours	Monthly/Quarterly Review		15.7.4
	Complaints related to TMC to be addressed within 24 hours	95% of all complaints within 24 hours	At time of complaint. Monthly/Quarterly Review		15.7.4
	All complaints related to a supplier's service will be addressed with the supplier involved and resolved within 3 days	95% of all complaints within 3 days	At time of complaint. Monthly/Quarterly Review		15.7.4
	All complaints and compliments to be logged in a register and all complaints to be resolved within 2 business days	100% complaints and compliments registered. 90% complaints resolved within 2 days	Monthly/Quarterly Review		15.7.4
Customer Satisfaction	Agree and manage customer satisfaction surveys	80-100% satisfaction	Quarterly		15.7.3
Travel policy enforcement	TMC to ensure Travel Policy is enforced. Manage with exception reports.	Exception reports	Monthly/Quarterly Review		15.7.5
VALUE ADDED SERVICES					
Travel value added services	Customer satisfaction surveys to measure value added services to travellers	80-100% satisfaction	Quarterly		15.7.3 15.8.1

Key Service Area	*Description of Service*	*Target*	*Frequency of Measurement*	*Weighting of Service*	*Reference*
COST MANAGEMENT					
Cost Containment	Cost effectiveness of travel arrangements. Savings generated / Savings missed / Cost reduction / Cost avoidance	±3-5% of travel spend	Monthly/Quarterly Review		15.9
	Proposals made by the TMC to improve travel behaviour and save money.	Number of proposals and resultant improvements	Quarterly/ Annually		15.9
QUARTERLY & ANNUAL REVIEWS					
Quarterly Reviews	Quarterly reviews are required to be presented by the Travel Management Company on all travel activity in the previous three-month period. These reviews are comprehensive and presented to the Procurement and Finance teams as part of the performance management reviews based on the service levels.	4 Reviews	Quarterly		15.10.1
Annual Reviews	Annual reviews are required to be presented by the Travel Management Company on all travel activity in the previous twelve-month period. These reviews are comprehensive and presented to the Procurement and Finance teams as part of the performance management reviews based on the service levels.	One Review per annum for the duration of the contract	Annual		15.10.2
OFFICE MANAGEMENT					
Back office support and skilled TMC personnel	The TMC to ensure high quality service to be delivered at all times to the travellers. The TMC is required to provide highly skilled and qualified human resources.	80-100% satisfaction	Quarterly		15.11.1

ANNEXURE A

Minimum Bid Specification Requirements for Travel Management Services

First Edition

January 2017

Contents

1 PREAMBLE

Section 38(1)(a)(iii) and 51(1)(a)(iii) of the PFMA require accounting officers and accounting authorities to ensure that their department, trading entity, constitutional institution or public entity has an maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

Section 38(1)(b) of the PFMA makes accounting officers of departments and constitutional institutions responsible for the effective, efficient, economical and transparent use of their respective institution's resources.

Section 38(1)(c)(iii) and 51(1)(b)(iii) of the PFMA require accounting officers and accounting authorities to take effective steps to manage the available working capital of their respective institutions effectively and efficiently.

2 PURPOSE

The purpose of this Guide is to provide Accounting Officers and Accounting Authorities with minimum bid specification requirements for the appointment of Travel Management Companies. Accounting Officers and Accounting Authorities shall make every effort to ensure that the appointment of travel management services are in accordance with the specification requirements outlined herein and utilise these as the minimum bid specifications to ensure efficient, cost effective, transparent and responsible travel services.

Departments, Institutions and Public Entities are to consider the minimum specification to develop similar or more stringent bid specifications where applicable.

3 OBJECTIVES

The objectives of this Guide are:

i. to assist departments, constitutional institutions and public entities to appoint Travel Management Companies (TMCs) in line with government's objectives to contain costs and save money;

ii. to appoint Travel Management Companies (TMCs) that will provide consistent and reliable services;

iii. to ensure that quality service is rendered by the appointed TMCs;

iv. to improve spend visibility through detailed management reporting;

v. to ensure that TMCs operate within the travel policy and to assist the departments, constitutional institutions and public entities with the improvement of traveller behaviour in order to minimise fruitless and wasteful expenditure.

4 MAIN OUTCOMES

The main outcomes of this Guide and the approach to the Travel Management Industry are:

i. The create a standardised approach to the Travel Management Industry across all spheres of government;
ii. To ensure minimum technical competence of TMCs to service government departments through the minimum bid specification requirements;
iii. A standardised remuneration model for travel management companies that is transparent across all spheres of government;
iv. Moving away from rebates, commissions or any volume driven incentives being paid to TMCs to a more transparent fee structure;
v. Standard reporting requirements to improve transparency in expenditure for the travel category across all spheres of government; and
vi. Ensure reduction of travel expenditure without compromising on quality of service.

5 APPLICABILITY

This Guide is applicable to National Departments, Provincial Departments Constitutional Institutions, Public Entities listed in schedules 2 & 3 of the PFMA

6 ACKNOWLEDGEMENT

National Treasury gratefully acknowledges the important contributions provided by the various government institutions and would like to extend sincere gratitude to:

- Department of Agriculture and Forestry
- Department of Basic Education
- Department of Correctional Services
- Department of Defence
- Department of Economic Development
- Department of Environment
- Department of Higher Education and Training
- Department of Home Affairs
- Department of International Relations and Cooperation
- Department of Justice and Constitutional Development
- Department of Labour
- Department of Public Enterprises

- Department of Public Service and Administration
- Department of Public Works
- Department of Rural Development and Land Affairs
- Department of Statistics South Africa
- Department of Telecommunications and Postal Services
- Department of Tourism
- Department of Trade and Industry
- Department of Water and Sanitation
- Provincial Treasury Eastern Cape
- Provincial Treasury Free State
- Provincial Treasury Gauteng
- Provincial Treasury KwaZulu-Natal
- Provincial Treasury Limpopo
- Provincial Treasury Mpumalanga
- Provincial Treasury Northern Cape
- Provincial Treasury North West
- Provincial Treasury Western Cape
- South African Police Service
- South African Revenue Service
- National Arts Council of South Africa (NAC)

7 HOW TO USE THIS GUIDE

7.1. This Guide consist on the following documents:

Annexure A1: Request for Proposal Template

Annexure A2: Desktop Evaluation Technical Scorecard and Compliance Checklist

Annexure A3: Pricing Submission Templates

Template 1: Transaction Fee Model for ON-SITE Service

Template 2: Transaction Fee Model for OFF-SITE Service

Template 3: Management Fee Model for ON-SITE Service

Template 4: Management Fee Model for OFF-SITE Service

Annexure A4: Draft Service Level Indicators

7.2. All attempts have been made by the Cross Functional Team of this project to include most of the general requirements when tendering for travel management services. The attached Request for Proposal Template (Annexure A1), the accompanying evaluation criteria (Annexure A2), Pricing templates (Annexure A3) and Service Level Indicators (Annexure A4), are merely guides for the tendering institution to use to ensure that the minimum requirements are addressed and that the same pricing models are utilized across all institutions.

7.3. Throughout the documents you will find information blocks that will give guidance to the tendering institution as to what can be changed and what must be considered when changes are made.

Example:

> *Tendering institutions may site any activity and due dates related to the bid. The validity of the bid is also at the discretion of the tendering institution, but it is advised that it should not exceed 180 days.*

7.4. Text that is indicated in BLUE, are obvious areas that needs to be filled in or changed by the tendering institution.

7.5. Although the technical evaluation criteria are very comprehensive, departments may add or remove criteria to suite their individual requirements. When doing so, departments are to consider the implications on service delivery and pricing.

7.6. Tendering Institutions may also adjust the weighting of the evaluation criteria according to their needs and priorities.

7.7. The RFP template addresses the following requirements:

i. Tendering institution to provide minimum information to bidders in terms of travel volumes;

ii. Tendering institutions to decide, **up front**, whether it will be an **ON-SITE** or **OFF-SITE** service (and use the relevant pricing templates).

iii. The RFP requires the bidders to indicate whether the service will be a wholly **ONLINE** service, a **TRADITIONAL** booking service or a **HYBRID** service. In case of the latter, the percentage split must be indicated in the pricing model.

iv. The RFP requires the bidders to provide minimum reporting requirements (Standard Monthly Reports) in line with the National Treasury's Cost Containment Instructions. Tendering institutions may further request additional reporting requirements.

8 GENERAL CONSIDERATIONS WHEN PROCURING TRAVEL MANAGEMENT SERVICES

Travel is an emotive subject. Whether you're introducing a new travel management service for the first time or are planning on changing your incumbent provider, people from every corner of your organisation will have an opinion on the matter. When you throw in the potential cost and time implications of making the wrong decision, there are a whole a host of reasons why deciding on a travel management provider shouldn't be taken lightly. In this guide, we will walk through how to prepare for your procurement, how to find prospective suppliers, evaluate them, make a final decision, and then purchase the service in a way that protects your organisation.

8.1 Preparation

Before you look at potential travel management companies (TMCs), services and systems, it is vital to thoroughly define your needs and what the service provider you select should be able to do for you.

To do this, you need to engage your stakeholders: the people who will be using the service, or who depend on outputs from the service (such as reports and invoices) and who will therefore be affected by the change. It's a great idea to assemble a team of stakeholders who will be involved throughout the process, from early preparation, Request for Proposal (RFP) development and subsequent responses, and finally to meeting potential suppliers.

This ensures you have buy-in from users and stakeholders to select a service, and service provider, that's truly reflective of your requirements.

8.2 Questions to consider

Before you get into a discussion with any suppliers, you need to be clear on some key points within your organisation. Below you'll find ideas as to the right kind of questions to ask, as well as the reasons why you should be seeking these answers.

Q. Should we have an objective to drive online booking?

A. Driving online booking reduces your travel management costs by attracting lower fees for bookings made online through an online booking tool, rather than higher fees for making offline bookings over the phone or by email.

Q. Do we need to review our business travel policy before we engage suppliers?

A. Often, travel policies are documents that were written ages ago and that no one has looked at since. Your travel policy will be at the heart of your travel programme, and this is now the perfect opportunity to align your institutional travel policy with the National Travel Policy Framework. Your TMC should work in collaboration with you to understand your goals and also to inject industry best practice into designing and implementing the travel policy.

Q. Do we have detailed travel data available regarding our current travel spend?

A. You need to share as much data as you can with prospective suppliers, in order to get the best advice and best pricing from them. If you don't have any data, prospective suppliers are likely to price defensively to ensure their worst case scenario is covered. If you're in this position, it's worth ensuring there is a break clause in your contract, such that you can renegotiate prices based on actual data once you've been working with your chosen supplier for 12 months.

Q. Are we trying to reduce our core travel & hotel spend, and if so by how much?

A. Not everything is about slashing travel prices. Other objectives of appointing a TMC is to ensure that your staff have great service at their fingertips, or are properly cared for and secure whilst travelling on business. But if you are looking to reduce costs, it's good to have an idea of what success would look like to you.

Q. If we're out to reduce cost, what are we prepared to compromise on?

A. TMCs don't have a magic wand with which to conjure away your travel spend. Serious cost reduction inevitably means compromises have to be made, so it's worth thinking about what would be acceptable and what wouldn't. Manage your business class more carefully and ask for other economy class tickets on flights. Economy Class Y is the most expensive and most flexible economy class ticket. If you know when you will fly and can book in advance you may ask for cheaper less expensive economy classes, such as V or Q class. Reduce your per-night cap on hotel spend by using the Maximum allowable rates issued by National Treasury as a benchmark and negotiate more favourable rates. Drive online booking (which reduces cost through visual guilt. You can immediately see the missed savings). Tighten policy constraints.

8.3 Commercial Models

One thing that is often overlooked in the early stages of selecting a TMC is the commercial model that should be used. It's a vital consideration that can have a major impact both on what you pay and the service you receive. It's crucial that you spend time understanding the commercial models inside out before making a final decision. To help you kick things off, you can find the explanation of the two models prescribed by National Treasury below.

8.3.1 Transaction fees

A transaction fee model is where the client (government institution) pays a small transaction fee for each booking they make. Fees may also be levied on other transactions, such as cancelling or amending a booking. There is usually a difference in the fee level between online and offline transactions to reflect the lower use of resources in the former.

The benefit of this model is that it is very transparent and you know what you are paying for. The transaction fee model is now by far the most popular commercial model for travel management because, from a procurement perspective, the transaction fee model is often easier to evaluate as it allows clients to analyse transaction fees offered by different TMCs. This way, government institutions can get a clear picture of comparative fees amongst travel management companies who operate this model.

Advantages of this model includes:

- Offer high levels of transparency
- Allows for simple and effective TMC price comparisons
- Low transaction fees
- Easy to scale with usage.

Disadvantage of this model include:

- The possibility of the TMCs to initially increase the transaction fees to compensate for the loss of previously earned rebates and commissions from suppliers.

8.3.2 Management fees

A management fee model involves the client paying the TMC a fixed fee per annum (normally payable monthly). The fee is typically calculated by open-book analysis of the TMC's costs for delivering the services plus a profit margin. However, management fees are rapidly falling out of fashion due to their inflexible nature: the cost doesn't flex with travel volumes nor adjust as more transactions get carried out online and it's difficult to attribute the cost to budget holders.

Under the management fees system, the TMC assigns a fixed (often dedicated) amount of labour to service the client's needs. The cost of this labour, plus an agreed margin are then charged to the client in the form of a management fee.

Formerly a staple of the business travel industry, management fee models are rapidly declining in popularity as more and more organisations shift to a transaction fee model.

The principal difference between the management fee model and the transaction fee model is that transaction fees essentially see the client paying only when they actually actively use their TMC. With management fees, clients pay a set sum, no matter how often they actually use the service, meaning that, unless prices are extremely keen, at least some of the client's spend will be wasted.

Advantages of this model includes:

- Total cost is easier to predict
- Makes budget process easy

Disadvantage of this model include:

- Paying for resources which is unlikely to be fully utilised all of the time
- Can be difficult to distribute management fee among budget holders

Each commercial model has its pluses and minuses and different government institutions may find that one model particularly suits them. The key point to remember is to determine which of these two models will work for your institution - only then can you be sure you're comparing like with like, and getting a genuine view of what each TMC offers.

For a final point on the transaction fee model, it is worth bearing in mind that this model will likely see TMCs charge higher fees for off-line bookings (i.e. bookings which involve reservations teams) over straightforward on-line bookings. This difference in price is to allow business travel agents to fund the travel professionals in reservation teams who help bookers with their travel arrangements. Equally, online transaction fees can be extremely inexpensive, so it's worth considering the benefits of driving on-line adoption if you go down the transaction fee route. Remember to bear this in mind when comparing TMCs during the procurement process.

8.4 Tender / Request for Proposal

Issuing a tender or RFP helps to bring structure to the process and keep you focussed on your objectives. When you follow the formal tender process bear the following points in mind to keep things running smoothly.

8.4.1 Assign one person to manage the process from start to finish to keep the project on track. If the person responsible changes part way through, it can lead to confusion and duplication of work. This is especially important if using a third party consultant – make sure you have the same consultant or project team for the duration.

8.4.2 Keep it short and simple, and only ask questions that will help you decide which supplier(s) to appoint. When you use the attached RFP Template, don't just copy it word for word, pick the technical evaluation questions that are relevant to your organisation and make sure you add the ones that aren't there. You won't be able to make an informed decision if you're asking questions that are not relevant to your institution's travel objectives.

8.4.3 The requirements and evaluation criteria should be such that the responses you receive, are from suppliers who stand a real chance of winning the business. Giving suppliers the information they need to qualify the opportunity and make an informed bid/no bid decision saves all parties a lot of time and money. It's possible that you'll have fewer responses to evaluate, but every response should be a genuine contender.

8.4.4 Enlighten the bidders with as much information as possible; what you currently do, your objectives, your business travel profile and transactional breakdown. The more information you provide, the more accurate and innovative their bids will be.

8.4.5 Give clear instructions on how you want bidders to respond. If all suppliers respond in the same format, it will make it easier for you to evaluate and quickly draw fair comparisons.

8.4.6 Hold a bidders' briefing session before the tender closes. This is a great opportunity to bring your requirements to life and address any areas that require further clarification. Use this time to make sure suppliers really get where you're coming from and understand what you want the successful supplier to deliver. The briefing session allows suppliers to ask questions and means they hear the same answers at the same time.

8.4.7 Allow enough time for suppliers to respond. Suppliers are often working on multiple bids at any one time and therefore have to prioritise and distribute workload to meet deadlines. Suppliers should be given at least 21 days to respond to the RFP. Only extend the deadline to accommodate any crucial or game-changing clarifications. If you give suppliers ample time to respond, you're more likely to receive high quality, well-thought-out responses.

8.5 Benchmarking

Many organisations attempt to benchmark travel companies as part of their procurement process. However, the techniques used invariably lead to dubious results that can undermine your entire procurement exercise.

If you're spending lots of money on a regular basis, say, on stationery, benchmarking an array of suppliers may be a valuable exercise. You present your shortlist of suppliers with an array of uniform products (a pen is a pen, a stapler is a stapler) and the suppliers provide you with their best prices. Once you select a supplier you can reasonably expect them to honour the prices quoted during the benchmark. You might even contract them to do so.

With travel, it just doesn't work like that. Prices change all the time, e.g. airline ticket prices change daily, if not hourly. Availability changes all the time. And there is no guarantee that any of the quoted prices you see in a benchmarking exercise will ever be available for you to purchase in the future. Worse still, you don't even know if the prices are real.

So what should you do?

Firstly, understand that having great prices is only half the story. There's no point having the best prices in the world if you can't control which ones your officials can and can't book.

Your biggest savings are going to come from changing buyer behaviour, no matter what the prices are, so focus on figuring out which supplier you think has the best strategy to drive behavioural change, and the software needed to deliver it, such as a rock-solid travel policy system.

Secondly, look at where suppliers are sourcing content from. Most TMCs will get their content from the traditional Global Distribution Systems. Ask them to confirm which travel distribution channels are providing content, and make sure all the big online travel discounters and low cost carriers are on the list.

Finally, if you really must price benchmark, do it yourself. Insist that every potential TMC provides you with a login to their online booking tool and conduct the price benchmark using your own staff, in your own time. That way you can ensure you're comparing real prices on a truly level playing field.

8.6 *Presentation*

During the technical evaluation stage, it's good practice to get the suppliers to come in and present their bid to your Bid Evaluation Committee (BEC). This gives your BEC an opportunity to meet with key members of the supplier's team, and get a feel for the kind of organisation they are. It also gives you the opportunity to ask questions about the supplier's bid and clarify any areas you felt were not entirely clear.

Tips for presentation days

- Provide each supplier with a bullet point list of the items you want them to cover in their presentation, but allow them some flexibility to cover items they feel they want to highlight from their bid too. It's a two-way event - they want to make sure you've seen and understood the unique aspects of their bid, and you want to ensure that you clarify any areas that were not clear to you in their submission.
- To ensure the presentations run smoothly, make sure you are crystal clear about what technology will be available to the suppliers.
- Can they use their own laptop computer or are you expecting them to present from your equipment?
- If they are using your equipment, what software will be available (e.g. Powerpoint, Adobe Acrobat) and what version?
- If you are expecting a system demonstration are you providing suitable wifi, or do they need to ensure they come equipped with mobile connectivity?
- If you are expecting a system demonstration via your equipment, which browser and version will be available?
- Afford suitable time to each presentation. Given the level of effort that both you and each supplier have already invested, cramming a presentation into 45 minutes is a risk at best, insulting at worst. A reasonable guide would be to allow 1.5 hours for each supplier, including Q & A time.
- Take a photo of the presenting team and record the proceedings if possible. It really helps people recall details when discussing presentations at a later stage.
- Make sure you have an agreed scoring mechanism in place, and build time in between each presentation to discuss, normalise and finalise the presentations score before moving onto the next. There is nothing worse than attempting to recall a presentation hours, or even days later.

- Once all the presentations are complete and have been individually scored, have a recap session to make sure that opinions on the scoring of earlier presentations haven't changed in light of latter presentations.

8.7 Product demonstration

Comparing features across various solutions can help you understand what you'll be able to achieve with each platform, and how these capabilities align with your goals. Here are a few questions to keep in mind as they demonstrate their product:

Is the demo live?

A live demo can tell you about more than just the product's capabilities— it can show you the pace at which the product will function. If they show you screenshots of what can be done, instead of demonstrating the capabilities of the product, it could be a sign that they're concerned the product will freeze up or not perform accurately during the demo.

Does it cover the basics?

You'll begin to notice differences between platforms as you continue to explore your options, but all travel management platforms should include some basic capabilities. In each demo, look for these basic features of travel management:

- A single sign-on to access all features and travel content;
- Ideally a single solution (i.e. once logged in, you are not redirected to other services to complete certain functions, or book certain travel types);
- The ability to book, amend and cancel all core travel types (hotel accommodation, rail tickets, air tickets and car hire);
- Integrated profile management, which incorporates a single, universal traveller profile for each person within your organisation; and
- Integrated reporting with the ability to run and schedule reports for future delivery.

8.8 Site Visits

If you have the time, paying a visit to the offices of your prospective suppliers is a big win for your procurement process. It gives you the opportunity to meet the people who will actually be working on your contract, and it gives the supplier the opportunity to present to you a much wider array of key people within their organisation that wouldn't be feasible at the presentation stage, or earlier in the bid process.

If you want to kill two birds with one stone, you could combine the presentation stage with a site visit (i.e. get suppliers to present at their offices, rather than yours). In the event that you want to include a site visit or combine it with the presentation stage, remember to include it in the functional evaluation criteria.

Ahead of a visit, communicate to the supplier any outstanding concerns you have about their bid so that they have the opportunity to address them during your visit. Also make sure to request attendance from any key staff that you'd like to be present, such as the proposed account manager and the senior management team.

Take ALL your BEC members along - after all, it is they who will be interacting most often with the operational staff you'll meet.

Post visit, make sure you have a thorough debrief with all of your BEC members who attended. Get an understanding of how they feel: are they confident they can work with the team they just met? Do they have any concerns? Is the organisation compatible with yours on a cultural level? Do you feel you can strike a good working relationship with the supplier's team, and at all levels?

Tips for site visits

- Treat the sites visits just as you would an interview. Just like when hiring people, your mission is to determine whether you think you can create a really successful working relationship with the supplier's team of people.
- Ahead of the visits, assemble your stakeholders and prepare questions that are relevant for the people you are going to meet. For example, asking reservation consultants how they would handle real-world examples is a great way to get them talking (e.g. "We have a traveller stranded in the far east, it's 2am, they need to get home, what would you do?").
- Make sure you get to meet the actual operational team (reservation consultants and associated management) who will be looking after you. Pay particular attention to the team leader as they will be pivotal in the success of the service delivery.

8.9 Service Level Agreement

It's an old adage that 'what gets measured gets done', so, at tender or contract negotiation stage, a lot of effort is put into devising performance measures to define the customer service your chosen TMC will provide. But how often after implementation are those targets revisited and discussed? And do you know that your TMC can even measure what they've signed up to?

Keep it simple

There isn't much point in having 5 pages of service level agreements (SLAs) and key performance indicators (KPIs) that no one really cares about. It's far better to have a one-page, concise and clear document, which is referred to at every review meeting.

Focus on what's important

What is important to your institution in terms of your travel objectives? What will your travellers and bookers really care about? Focus on what matters to your institution and employees. Ask them for their thoughts before you put the document together.

8.10 Contract Negotiation

Going through the legals are not the most interesting part of the process, but investing time at the outset should prevent a costly break-up further down the line.

Tips for contract negotiation

8.10.1 Define what they are actually going to do for you

Make sure you have a tight definition of the services that your supplier is going to provide. If you are contracting on your own legal terms, the standard services agreement (that the legal team has just dusted off) is unlikely to be bespoke to travel management, so make sure your agreement actually covers what you expect them to do.

8.10.2 Incorporate the service level agreement (SLA) into the contract

Many organisations spend a fair amount of time discussing service levels at the tender stage and then forget to incorporate the SLA into the legal agreement.

8.10.3 Agree what happens if your partner's ownership changes

If your preferred business travel agent gets bought out by another supplier (this happens quite a lot in the business travel industry), the service could be very different. It could even be the supplier you dismissed at the first stage of your tender. So make sure that your contract includes a 'change of control' clause enabling you to terminate if your supplier's ownership changes.

8.10.4 Look at the termination clauses carefully

Can you terminate easily if things are not going well? What if they fail to deliver at all? You need to be able to move on if it's not working and the mediation has failed. Look at how easily your TMC can get out as well - they may be able to terminate on three months' notice at any time, which is the last thing you want after all your hard work in appointing them.

9 REVISION HISTORY

Date	Edition	Description	Author
20/01/2017	1.0	Guide to Accounting Officers and Accounting Authorities on the Minimum Specification Requirements for Travel Management Services	National Treasury: Office of the Chief Procurement Officer

PRICING SCHEDULE
(Professional Services)

NSG – Travel Management Services – 2024/2025

NAME OF BIDDER: ………………………………………………………………………………	BID NO.: **NSG/BID/05/2024/2025**
CLOSING TIME 11:00	CLOSING DATE 17 JANUARY 2025

OFFER TO BE VALID FOR **120** DAYS 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------------------------	------------------------
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
		R------------------------	------------------------ days
		R------------------------	------------------------ days
		R------------------------	------------------------ days
		R------------------------	------------------------ days

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
--	…………………	…………………	R…………………
--	…………………	…………………	R…………………
--	…………………	…………………	R…………………
--	…………………	…………………	R…………………
		TOTAL:	R………………………………

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

Name of Bidder: ....

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

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

TOTAL: R..

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

7. Estimated man-days for completion of project ....

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ....

....

....

....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

The NSG:

A de Beer
Annetha.debeer@thensg.gov.za

Or for technical information –

Lesego Komane (Project Specialist)

Lesego.Komane @thensg.gov.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 State institution**

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

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

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

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

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

2.3.1 If so, furnish particulars:
....
....

3 DECLARATION

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

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

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

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

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

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

SBD 6.1

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

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

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

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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 **Preference Points System**

The applicable preference point system for this tender is the 90/10 preference point system.

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

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

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

(a) Price; and

(b) Specific Goals.

1.4 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 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 or **90/10**

$$Ps = 80\left(1 - \frac{Pt-P\,min}{P\,min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt-P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. **POINTS AWARDED FOR PRICE**

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

80/20 **or** **90/10**

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right) \text{ or } \qquad Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

SPECIFIC GOALS AND POINTS ALLOCATION

GOAL	Points out of 20 (80/20)	Points out of 10 (90/10)
(HDI/Black Owned)	Max = 8 Points	Max = 4
100% Black owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned 0 – 50% Black Owned	8 Points 6 Points 4 Points 2 Points 0 Point	4 Points 3 Points 2 Points 1 Point 0 Point
Black Women Owned	Max = 5 Points	Max = 2 points
100% Black Owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned 0 – 50% Black Owned	5 Points 4 Points 3 Points 2 Points 0 Point	2 Points 1 Point 0 Point 0 Point 0 Point
Black Youth	Max = 4 Points	Max = 2 Points
100% Black Owned 75% - 99% black owned 60% - 74% Back owned 51% - 59% Black owned	4 Points 3 Points 2 Points 1 Point	2 Points 1 Point 0 Point 0 Point

0 – 50% Black Owned	0 Point	0 Point
Black People with Disability	Max = 3 Points	Max = 2 Points
100% Black Owned with disability.	3 Points	2 Points
75% - 99% black owned with disability	2 Points	1 Point
60% - 74% Back owned with disability.	1 Point	0 Point
51% - 59% Black owned with disability.	1 point	0 Point
0 – 50% Black Owned with disability	0 Point	0 Point

Refer to page 7 to indicate the points claimed for each specific allocated goal.[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:

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: ....
....
....
.....

SPECIFIC GOALS AND POINTS ALLOCATION

FOR POINTS CLAIMED BY THE BIDDER, THE REQUIRED VALID PROOF MUST BE SUBMITTED TOGETHER WITH SBD 6.1. FAILURE TO SUBMIT VALID PROOF WILL RESULT IN THE CLAIMED POINTS NOT ALLOCATED TO THE BIDDER.

GOAL	Points out of 20 (80/20)	Valid Evidence (Proof) to substantiate Points Claimed	Actual Points Claimed	Proof Attached Yes / No
(HDI/Black Owned)	Max = 8 Points	Valid CIPC Certificate and copy of IDs		
Black Women Owned	Max = 5 Points	Valid CIPC Certificate and copy of IDs		
Black Youth	Max = 4 Points	Valid CIPC Certificate and copy of IDs.		
Black People with Disability	Max = 3 Points	Valid CIPC Certificate and copy of IDs. *To claim points on disability the person / bidder needs to provide proof of disability (medical report, letter from authorised body or person before points can be claimed in this category).*		

THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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 supplies 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 "Written" or "in writing" means handwritten 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, 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 supplies, 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 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

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 extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security	7.1	Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
	7.2	The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
	7.3	The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms: (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or (b) a cashier's or certified cheque
	7.4	The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.
8. Inspections, tests and analyses	8.1	All pre-bidding testing will be for the account of the bidder.
	8.2	If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
	8.3	If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
	8.4	If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
	8.5	Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
	8.6	Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
	8.7	Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and 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, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

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 in the SCC.

12. Transportation

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

13. Incidental services

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

(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 in SCC, 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 in SCC.

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 in SCC 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 in SCC, 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 in SCC.

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 in SCC.

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 in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

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 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 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 supplies are required, or the supplier's services are not readily available.

21.5 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 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any 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 judgment 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.

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 intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, 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 Accounting Officer / Authority 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

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 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 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.

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 in SCC.

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 the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

34.1 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 (or bid rigging).

34.2 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 the Competition Act No. 89 of 1998.

34.3 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.