



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

ENQUIRYNAME: LEBOGANG PHAHLANE
TELEPHONE: 012 336 7738
REFERENCE: WP11545

DEPARTMENTAL BID ADJUDICATION COMMITTEE

BID NO: WP11545

REQUEST APPROVAL FOR THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER, THE OEM OF THE SMARTGOV PLATFORM TO IMPLEMENT THE DIGITAL STRATEGY INITIATIVES BY PROVIDING THE CONTRACT MANAGEMENT, PMDS AND E-LEAVE MODULES OF THE SMARTGOV PLATFORM AS WELL AS SUPPORT AND MAINTANANCE FOR A PERIOD OF THREE YEARS

1. PURPOSE

- 1.1 To request approval for the appointment a Professional Service Provider Boxfusion, the Original Equipment Manufacturer (OEM) of the Smartgov Platform to implement the Digital Strategy Initiatives by providing the Contract Management, PMDS and E-Leave Modules of the Smartgov Platforms as well as Support and Maintenance for a period of three years at the amount of R49 680 376.90 vat inclusive.

2. BACKGROUND

- 2.1 On 13 November 2025, DBSC approved the Terms of Reference (TOR) for the appointment of the Professional Service Provider Boxfusion, the Original Equipment Manufacturer (OEM) of the Smartgov Platform to implement the Digital Strategy Initiatives by providing the Contract Management, PMDS and E-Leave Modules of the Smartgov Platforms as well as Support and Maintenance for a period of three years.
- 2.2 The invitation to quote was issued to the service provider on 21 January 2026, in accordance with the State Information Technology Agency (SITA) established Framework Agreement with Boxfusion, the OEM of the SmartGov platform. This framework enables organs of state to procure the required services directly from the OEM. The closing date for submission was 02 February 2026 at 11:00.
 - 2.2.1 This procurement was therefore conducted in line with the framework agreement engagement model, which permits direct sourcing from the OEM. This approach eliminates intermediaries and enhances cost efficiency by avoiding additional mark-ups typically associated with third-party resellers.
 - 2.2.2 The framework agreement was established through a competitive bidding process administered by SITA at a national level. Accordingly, this procurement is compliant with National Treasury prescripts relating to transversal contracts and framework agreements.

2.3 The following proposal was received on the closing date 02 February 2026 at 11:00am

NO	NAME OF BIDDER	*BID PRICE
1.	BOXFUSION	R49 680 376.90

3. As per the National Treasury prescripts, a cross functional evaluation committee made up of the following officials were approved by Director: Supply Chain Management.

NAME AND SURNAME	DESIGNATION	GENDER	ROLE
Mr Stephen Sete	Director: HR	Male	Chairperson
Ms Tozama Gabela	Acting Director: ICT Applications	Female	Deputy Chairperson
Mr Jeffrey Mashele	Deputy Director: Office of the DDG	Male	Member
Ms Madihleko Mashego	Deputy Director: Contract Management	Female	Member
Mr Jaco Opperman	ICT Coordinator: Infrastructure and Operations Management	Male	Member
Alternate Members			
Dr Pekane Mashiane	Deputy Director: Monitoring, Evaluation and Reporting	Female	Alternate Member
Mr Alexander Hattingh	Deputy Director: HR Administration Service	Male	Alternate Member

3.1 Availability of the Evaluation Panel

3.1.1 The following members were available for the evaluation of the tender which took place on 19 February 2026.

NAME AND SURNAME	DESIGNATION	GENDER	ROLE
Mr Stephen Sete	Director: HR	Male	Chairperson
Ms Tozama Gabela	Acting Director: ICT Applications	Female	Deputy Chairperson
Mr Jeffrey Mashele	Deputy Director: Office of the DDG	Male	Member
Ms Madihleko Mashego	Deputy Director: Contract Management	Female	Member
Mr Jaco Opperman	ICT Coordinator: Infrastructure and Operations Management	Male	Member
Winnie Dolamo	Supply Chain Practitioner	Female	SCM
Lebogang Phahlane	Supply Chain Practitioner	Female	SCM

4. ADMINISTRATIVE COMPLIANCE OF BID

4.1 Central Supplier Database Verification

4.1.1 The bidder was verified against the National Treasury Central Supplier Database (CSD) as required and the supplier's report is attached.

4.1.2 Below is the summary of the CSD Report.

RESULTS OF CSD VERIFICATION	
	SUPPLIER 1 BOXFUSION
ITEM DESCRIPTION (Indicate Yes or No)	MAAA0070219
Is the company still in business?	Yes
Is the tax status of the company complaint?	Yes
Is the supplier a VAT Vendor? If not did you ensure that the quoted amount doesn't include VAT?	Yes
Is any of the Directors of the company employed by the State as per CSD Report?	No
Is any of Director/s of the company on the National Treasury Restricted List of Suppliers as per CSD Report?	No
Is the supplier/company restricted according to the CSD report?	No

4.1.3 Compliance with submission of SBD Forms by Bidders

COMPLIANCE IN SUBMISSION OF SBD FORMS	
	SUPPLIER 1 BOXFUSION
SBD 1	Yes
SBD 3.1 or 3.3	Yes
SBD 4	Yes
SBD 6.1	Yes
SBD 6.2: (if applicable)	N/A
B-BBEE OR SWORN AFFIDAVIT VERIFICATION	
Is Valid BBBEE Certificate / Sworn Affidavit attached?	Yes
B-BBEE Procurement Recognition/ B-BBEE Contribution Level	Level 1 Expire 09-Dec-2026
B-BBEE Score Card	GENERIC

5. EVALUATION CRITERIA

5.1 PHASE 1: PRICE AND POINTS FOR SPECIFIC GOALS EVALUATION

5.2.1 The above scores were determined based on the formula below:

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

Where

P_s = Points scored for price of bid under consideration

P_t = Rand value of bid under consideration

$P_{\min}$ = Rand value of lowest acceptable bid

Points for Specific goals

NO :1	NAME OF BIDDER BOXFUSION	SPECIFIC GOALS (AS PER SBD 6.1)	MAXIMUM POINTS FOR SPECIFIC GOALS	PERCENTAGE OWNED	POINTS CLAIMED
		Women	5	31	1.55
		People with disability	5	0	0
		Youth (35 and below)	5	0	0
		Location of enterprise (Province)	2	100	2
		B-BBEE status level contributors from level 1 to 2 which are QSE or EME (Only Service provider with level 1 to 2 which are QSE or EME will be allocated 100% points. 0% should be allocated service providers who doesn't fall within the set category)	3	0	0
				Total Points	3.55

5.2.2 The following bidder was evaluated on price and specific goals as per the comparative schedule.

No	Suppliers Name	Bid Price	Points for Price	Points for Specific goals	Total Points
1.	BOXFUSION	R49 680 376.90	80	3.55	83.55

6. FINANCIAL IMPLICATIONS

6.1 This amount is available in the budget of Chief Directorate: ICT Applications and Business Solutions.

Responsibility	Objective	Item	Estimate
Dir: ICT APPLICATIONS & BUSINESS SOL	Objective: INFORMATION & COMM TECHNOLOGY	EXT COMP SER: INFOR SERVICES	R16 500 000.00 Per year

The estimated expenditure per financial year is provided in the below:

Project	Contract Management	PMDS (Performance Management Development System)	Migration of e-Leave to Online platform
Digital Strategy Implementation	R4 500 000.00	R 6 000 000.00	R6 000 000.00

7.1 BEC COMMENTS

- 7.1.1 On 19 February 2026, the BEC members observed that the total amount reflected on the pricing schedule did not correspond with the amounts indicated in the service provider's quotation. The members resolved that the prices reflected on the pricing schedule must align with those contained in the pricing schedule template (**Annexure A**).
- 7.1.2 It was subsequently recommended that SCM request the service provider to submit a clarification letter addressing issues relating to the total summary, line-item schedules, and any "not applicable" statements, which should be clearly explained or supported by a more detailed breakdown in accordance with the TOR financial specifications. A signed letter dated 03 March 2026 was forwarded to Boxfusion, with a response required by 06 March 2026 (**Annexure B**).

7.1.3 The BEC members convened on 25 March 2026 to discuss the attached clarification letter and identified additional matters requiring further clarification. It was therefore agreed that a Teams meeting be arranged with Boxfusion to address and clarify the following items

- The kept number of hours and how it was arrived at that hourly figure (3583) just to explain how it was calculated
- Monitors of those hours so that the limit is not reached
- In the amount of exceeding the hours how will the billing occur from what hours (conditional)
- End User training, whether it will be physical or virtual
- Will the Department receive all the training we require be included, inclusive of the admin training or will it be just for end users
- Change order request after implementation, how the process will it be done/handled and whether it will be charged or not
- It is possible for the maintenance and support to be done/quoted yearly instead of hourly/s (Annual support allowance) in accordance with the TOR specification (Pg 4 under clause 4) "**Support and maintenance of the system as covered in the subscription**" (duration of the contract)

7.1.4 On 4 May 2026, the BEC and Boxfusion's team held a Teams meeting to clarify the matters mentioned above, during which it was indicated that a written response would also be submitted. Following the clarification meeting, the BEC concluded that all concerns had been satisfactorily addressed and recommended proceeding with the appointment (**Annexure C**).

7.1.5 Ownership Clarification:

- The BEC requested clarification on the full ownership disclosure, specifically requiring confirmation of the complete (100%) shareholding structure of the bidding entity, as the CSD report reflected only 69% ownership.
- Boxfusion submitted a certificate issued by the Commissioner of the Companies and Intellectual Property Commission (CIPC), confirming the company's registered beneficial ownership details. The certificate demonstrated that the total beneficial ownership equates to 100%, of which women ownership constitutes 31% and points were allocated accordingly for specific goals. (**Annexure D**)

8. **RECOMMENDATION BY THE BID EVALUATION COMMITTEE**

- 8.1. It is recommended that approval be granted for the appointment **BOXFUSION**, the OEM of the Smartgov Platform to implement the Digital Strategy Initiatives by providing the Contract Management, PMDS and E-Leave Modules of the Smartgov Platforms as well as Support and Maintenance for a period of three years at the amount of R49 680 376.90 vat inclusive.

CONFIRMATION BY THE COMMITTEE

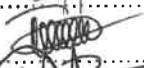
Chairperson Name: Mr. Stephen Sete

Signature..... Date: 10/06/2026

Deputy Chair Name: Ms Tozama Gabela

Signature..... Date: 10/06/2026

Member's Name: Mr Jeffrey Mashele

Signature..... Date: 10/06/2026

Member's Name: Ms Madihleko Mashego

Signature..... Date: 10 /06/2026

Member's Name: Mr Jaco Opperman

Signature..... Date: 11/06/2026

RECOMMENDATION BY THE BID EVALUATION COMMITTEE

- 8.1. It is recommended that approval be granted for the appointment **BOXFUSION**, the OEM of the Smartgov Platform to implement the Digital Strategy Initiatives by providing the Contract Management, PMDS and E-Leave Modules of the Smartgov Platforms as well as Support and Maintenance for a period of three years at the amount of R49 680 376.90 vat inclusive.

RECOMMENDATION IN PAR 8.1 APPROVED/~~NOT APPROVED~~

A handwritten signature in black ink, appearing to be 'S. de V.' or similar, written in a cursive style.

CHAIRPERSON: DEPARTMENTAL BID ADJUDICATION COMMITTEE (ACTING)

DATE: 22 June 2026