

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LIMPOPO PROVINCIAL TREASURY					
BID NUMBER:	LPT 002/2022	CLOSING DATE:	04 NOVEMBER 2022	CLOSING TIME:	11H00
DESCRIPTION	RENDERING OF PHYSICAL SECURITY GUARDING SERVICES				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
ISMINI TOWERS TENDER BOX					
LIMPOPO PROVINCIAL TREASURY					
46 HANS VAN RENSBURG STREET					
POLOKWANE					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	MAPHANGA TH		CONTACT PERSON	MOKWENA CM	
TELEPHONE NUMBER	015 298 7055		TELEPHONE NUMBER	015 298 7000	
FACSIMILE NUMBER	015 298 7151		FACSIMILE NUMBER	015 298 7151	
E-MAIL ADDRESS	Maphangath@treasury.limpopo.gov.za		E-MAIL ADDRESS	Mokwenacm@treasury.limpopo.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] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[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?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
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.					

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**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number: <u>LPT 002/2022</u>
Closing Time 11:00	Closing date <u>04/11/2022</u>

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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-
- Required by:
 - At:
 - Brand and model
 - Country of origin
 - Does the offer comply with the specification(s)? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
 - *Delivery: Firm/not firm
 - Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

LPT 002/2022

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ANNEXURE A

CONTRACT:		YEAR 1		
TOTAL NUMBER OF GUARDS 56				
SITES: ISMINI TOWER,TALAS HOUSE,FINANCE HOUSE,IT LEBOWAKGOMO , VHEMBE TAC ,MOPANI TAC,MODIMOLLE TAC,JANE FURSE TAC				
ISMINI TOWER				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			7
Dayshift Saturday to Sunday	Grade C unarmed guard			4
Nightshift Monday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
Dayshift Monday to Sunday	Grade B: unarmed Guard			1
Nightshift Monday to Sunday	Grade B: unarmed Guard			1
FINANCE HOUSE				
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			5
Dayshift Saturday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			4
TALAS HOUSE				
Dayshift Monday to Sunday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: unarmed Guard			2
Dayshift Saturday to Sunday	Grade C: unarmed guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			1
IT LEBOWAKGOMO				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VHEMBE TAC				
DAY SHIFT MON TO FRI	Grade C: Unarmed Guard			1
DAY SHIFT MON TO FRI	Grade C: Armed Guard			1
SITE :MOPANI TAC				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Friday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: Unarmed Guard			1
MODIMOLLE TAC				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
JANE FURSE				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VAT				
TOTAL				

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ANNEXURE A

CONTRACT:		YEAR 2		
TOTAL NUMBER OF GUARDS 56				
SITES: ISMINI TOWER,TALAS HOUSE,FINANCE HOUSE,IT LEBOWAKGOMO , VHEMBE TAC ,MOPANI TAC,MODIMMOLE TAC,JANE FURSE TAC				
ISMINI TOWER				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			7
Dayshift Saturday to Sunday	Grade C unarmed guard			4
Nightshift Monday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
Dayshift Monday to Sunday	Grade B: unarmed Guard			1
Nightshift Monday to Sunday	Grade B: unarmed Guard			1
FINANCE HOUSE				
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			5
Dayshift Saturday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			4
TALAS HOUSE				
Dayshift Monday to Sunday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: unarmed Guard			2
Dayshift Saturday to Sunday	Grade C: unarmed guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			1
IT LEBOWAKGOMO				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VHEMBE TAC				
DAY SHIFT MON TO FRI	Grade C: Unarmed Guard			1
DAY SHIFT MON TO FRI	Grade C: Armed Guard			1
SITE :MOPANI TAC				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Friday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: Unarmed Guard			1
MODIMOLLE TAC				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
JANE FURSE				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VAT				
TOTAL				

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ANNEXURE A

CONTRACT:		YEAR 3		
TOTAL NUMBER OF GUARDS 56				
SITES: ISMINI TOWER,TALAS HOUSE,FINANCE HOUSE,IT LEBOWAKGOMO , VHEMBE TAC ,MOPANI TAC,MODIMMOLE TAC,JANE FURSE TAC				
ISMINI TOWER				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			7
Dayshift Suterday to Sunday	Grade C unarmed guard			4
Nightshift Monday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
Dayshift Monday to sunday	Grade B: unarmed Guard			1
Nightshift Monday to Sunday	Grade B: unarmed Guard			1
FINANCE HOUSE				
Dayshift Monday to Sunday	Grade C: armed guard			1
Dayshift Monday to Friday	Grade C: unarmed guard			5
Dayshift Saturday to Sunday	Grade C unarmed guard			4
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			4
TALAS HOUSE				
Dayshift Monday to Sunday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: unarmed Guard			2
Dayshift Saturday to Sunday	Grade C: unarmed guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: unarmed Guard			1
IT LEBOWAKGOMO				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VHEMBE TAC				
DAY SHIFT MON TO FRI	Grade C: Unarmed Guard			1
DAY SHIFT MON TO FRI	Grade C: Armed Guard			1
SITE :MOPANI TAC				
Grade D Guard		Unit Price	Quantity	R
Dayshift Monday to Friday	Grade C: armed Guard			1
Dayshift Monday to Friday	Grade C: Unarmed Guard			1
MODIMOLLE TAC				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
JANE FURSE				
DAY SHIFT MON TO SUN	Grade C: armed Guard			1
DAY SHIFT MON TO SUN	Grade C: unarmed Guard			1
NIGHT SHIFT MON-SUN	Grade C: armed Guard			1
NIGHT SHIFT MON-SUN	Grade C: Unarmed Guard			1
VAT				
TOTAL				

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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

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

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**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable;

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 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

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

or

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

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Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One person business/sole propriety
 - Close corporation
 - Company
 - (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
 - Supplier
 - Professional service provider
 - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

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- 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

000000014



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE RENDERING OF GUARDING SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS IN LIMPOPO PROVINCIAL TREASURY

1 INTRODUCTION

Limpopo Provincial Treasury is currently utilizing outsourced security services at its various sites in Limpopo Province, of which the contract will expire on the 28th February 2023. Therefore, Limpopo Provincial Treasury seeks to source service providers to render security services at Treasury sites in Limpopo Province for thirty-six months as from 01 March 2023 to 28 February 2026.

2 THE SITES ARE LOCATED AS FOLLOWS IN LIMPOPO PROVINCE

The Provincial Treasury has the following sites at which physical security is required

- i. Finance House (56 Paul Kruger Street, Polokwane)
- ii. Ismini Tower (46 Hans Van Rensburg Street, Polokwane)
- iii. Talas house (27 Hans Van Rensburg Street, Polokwane)
- iv. Provincial Treasury Office space in Lebowakgomo Government Complex (Lebowakgomo)
- v. Provincial Treasury Office space in Thohoyandou Government Complex (Thohoyandou)
- vi. Provincial Treasury Office space Lifa Complex (Schoonoord Road, Jane Furse)
- vii. Provincial Treasury Office space in Modimole (100 Nelson Mandela Drive, Modimole)
- viii. Provincial Treasury Office space in Giyani (Giyani Government Complex)

Details and number of security personnel required for this service is stipulated as per attached sites post specification **Annexure A. (Year 1,2,3)**

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3 MANDATORY BID REQUIREMENTS FOR RENDERING OF SECURITY SERVICES

3.1 ADMINISTRATIVE COMPLIANCE

Bidders are required to comply with the following mandatory administrative requirements: -

DESCRIPTION	Attach proof
3.1.1 The bidder/bidding entity must be registered with the Private Security Industry Regulatory Authority (PSIRA) in terms of Private Security Industry Regulatory Act (Act 56 of 2001).	Yes
3.1.2 The bidder's/bidding entity's directors must be registered at a minimum of Grade B with the Private Security Industry Regulatory Authority (PSIRA) in terms of Private Security Industry Regulatory Act (Act 56 of 2001)..	Yes
3.1.3 Bidders must be registered on the Centralized Supplier Database (CSD) system as service providers.	Yes
3.1.4 Bidders must be in good standing with PSIRA.	Yes
3.1.5 Bidders must be registered with Compensation of Injury on Duty (COIDA).	Yes
3.1.6 Bidders must be registered with Unemployment Insurance Fund (UIF).	Yes
3.1.7 Bidders must be registered for Pay as You Earn (PAYE) and Skills Development Levy (SDL).	Yes
3.1.8 The bidder must provide proof of Public Liability Insurance to a minimum amount Equivalent to R 2 000, 000.00 (Two million rand only).	Yes
3.1.9 Bidders must be registered with Private Security Sector Provident Fund (PSSPF) - Section 13A confirmation letter.	Yes
3.1.10 Bidder must provide at least 3 original contactable original reference letters for contracts over the past 3 years which include the estimated value of the	Yes

DESCRIPTION	Attach proof
contracts and dates (period). {If deemed necessary by Provincial Treasury sites visits will be conducted to verify information provided by the bidder}.	

3.2 TECHNICAL REQUIREMENTS

Bidders are required to comply with **the following** mandatory technical requirements: -

3.2.1 SECURITY EQUIPMENT

Bidders must confirm that they have the following security working tools for all sites and/or security officials to be appointed on this contact

- i. Hand held metal detector (Standard)
- ii. Baton sticks (Standard)
- iii. Hand cuffs with keys (Standard)
- iv. Torch/flash light (Standard)
- v. Security Registers (as per requirements)
- vi. Company ID card for Security officers (As per PSIRA standard)
- vii. PSIRA card for security officers
- viii. Stationery (Pens, notebooks, pocket books)
- ix. Whistle & Lanyard (Standard)
- x. Pepper spray and firearm (as per site requirements)
- xi. Branded Company Vehicles (registered in company name)
- xii. Firearm safe and disarming unit
- xiii. Valid Firearms and Licenses
- xiv. Electronic Occurrence Book or Normal Occurrence Book
- xv. Corporate uniform
- xvi. Bullet proof jackets
- xvii. Reflector jackets
- xviii. Competency certificate of the director/delegated person to handle the firearm

3.2.2 FIREARMS

The successful bidder must provide firearms and valid firearm licenses, as per site requirements, for each site, and at all times during the contract ensure that .

- i. All firearms deployed at the departmental sites are accompanied by a certificate issued by a qualified Gunsmith, declaring that the firearms are serviceable and comply with the Firearms Control Act 60 of 2000.
- ii. The gunsmith certificate is renewed at least once every twelve (12) months.
- iii. Only firearms registered in the name of the Successful bidder are deployed at Treasury sites.
- iv. All firearms and ammunition issued to his/her personnel are in clean and working condition and are properly maintained.
- v. All handguns carried by personnel are securely holstered.
- vi. All security officers who are assigned firearms have valid competency certificates to handle firearms.

3.2.3 BASE STATION AND HAND HELD TWO-WAY RADIOS

- i. The bidder must have a hand-held two-way radio communication system in place.
- ii. The successful bidder must agree to install a base radio station , at its own cost, at the Provincial Treasury Control Room, which shall enable direct communication between security officers deployed in Treasury and the successful bidder's personnel or offices
- iii. The bidder must include a diagram indicating the local communication network and call signs to be used by the bidder during the term of this agreement. Any changes in these networks or call-signs must be brought to the attention of Treasury in writing.
- iv. The two-way radios must be able to operate within adequate range from where the security services are rendered in order to ensure good communication between any two points within a patrolled area of responsibility on the premises of the Treasury.
- v. The hand-held two-way radios must all times be in working condition.
- vi. Proper radio procedures and protocol shall be used.

3.2.4 OCCURRENCE BOOKS

The successful bidder shall agree to provide an Occurrence Book, at its cost, which must be engraved with the LOGO of both the Bidder and Provincial Treasury, with effect from the date of commencement of deployment.

3.2.5 COMPANY CODE OF CONDUCT

- i. The bidder must include in the bid documents the institutions Code of Conduct and Disciplinary Code in respect of all security officers in its employment and agrees to enforce compliance thereto and provide any changes made thereto during the contract.
- ii. The Disciplinary Code contemplated above must contain rules which adequately reflect the relevant values and principles as well as any further rules that are reasonably necessary to ensure disciplined, honest, safe, reasonable, professional and competent conduct by security officers in the circumstances in which they are employed.

3.2.6 PUBLIC LIABILITY AND INSURANCE COVER

- i. The bidder shall at all times be liable for the acts and/or omissions by its employees providing security services to Provincial Treasury that has resulted in any damage to or loss of assets by Provincial Treasury as a result of the bidder's Security Officers' negligence or willful action in the ordinary execution of their duty when acting within the course and scope of their duties and employment.
- ii. The successful bidder shall indemnify and holds Treasury Department harmless against –
 - a. Liability in respect of any damage to property, whether movable or immovable, belonging to third parties and on the premises of Treasury Department; and
 - b. Liability in respect of death of, unlawful arrest, injury, illness, or disease to any person as a result of the rendering of the security services.
- iii. As such, the successful bidder will agree to provide a certified copy of the policy cover and a letter from the relevant Insurance Company confirming that **Insurance Cover** for a minimum amount equivalent to R2, 000, 000.00 (Two million rand only) to cover such damage/losses is in place.

3.2.7 PROCEDURES AND POLICIES

Bidders must include approved policy or policies and procedures that deal with the following matters, as part of their bid documents: -

- i. Responding if there is an armed attack at a site being guarded (Day and Night);
- ii. Responding to a theft at a site being guarded (Day and Night);
- iii. Responding if staff or visitors at an institution are injured or killed as a result of a security breach;
- iv. Dealing with armed visitors or staff;
- v. How to log, report and escalate incidents;

3.3 IN-LOCO INSPECTION-

Provincial Treasury will verify, amongst others, the following mandatory requirements during site inspections: -

- i. Suitable immovable office structure, as per PSIRA prescribed standards, equipped with desks, chairs, working e-mail and telephone line, lockable filing cabinets, personal computers, firearm safes and control room.
- ii. Working tools stock for items listed above in 3.2.1
- iii. Firearm licences and Gunsmith certificates
- iv. Site inspection vehicles,
- v. Control Room's that must have the ability to contact the various guards at the sites they are guarding and contact the site Control Room and if required the Police.

4 COMPLETION OF BID DOCUMENTS

The following are minimum requirements for completion of the bid document: -

- 4.1. Bidders are required to complete the entire bid document in terms of the requirements contained herein.
- 4.2. Where the space provided in the bid document is insufficient, separate schedules may be drawn up in accordance with the given formats. These schedules shall then be bound together with suitable contents page and submitted with the bid documents.
- 4.3. All bid documents, certificates, schedules (including additional schedules as mentioned above) and all forms required by this bid must be completed in black ink and signed by the authorized signatory.
- 4.4. Only original bid document shall be accepted.
- 4.5. Bidder to sequentially number all pages submitted in the bid document and attachments.
- 4.6. Bidders shall ensure that there is no missing or duplicated pages.
- 4.7. Limpopo Provincial Treasury shall not accept liability in regard to claims by bidders that pages are missing or duplicated.
- 4.8. Use of correction fluid is not allowed and any cancellation, alteration or amendment and the bid document must be signed for by the authorized signatory.
- 4.9. Completed bid document with supporting documents shall be packaged, sealed, marked and submitted strictly as stipulated in this bid document.
- 4.10. Personnel/ staff: The service provider must provide the security personnel required for the successful rendering of the service, as follows:
 - 4.10.1. Security Officers Grade C (Male/Female) is the persons who shall execute the Physical security service (access and egress control and patrols).
 - 4.10.2. Security Supervisors (Security Officers Grade B) are the persons who exercise direct supervision and control over Security Officers
 - 4.10.3. Management/Directors/Owners/Managing Directors and Members (Security Officers Grade A and B) will exercise direct control over all Security Officers.

5 ATTACHMENTS

Bidders must include the following annexures in their bid documentation: -

- 5.1. Valid Original or certified copies of PSIRA certificates for both Company and Director(s).
- 5.2. Proof of Municipal Rates and Taxes or Valid Lease Agreement or Letter of Tribal Authority, not older than three (3) months, as proof of official office.
- 5.3. A valid original or certified copy of Compensation of Injury on Duty (COIDA) letter of good standing issued by the Department of Labour.
- 5.4. A valid original or certified copy of Unemployment Insurance Fund (UIF) letter of good standing issued by the Department of Labour.

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- 5.5. Certified copy of valid Communication license issued by Independent Communications Authority of South Africa (ICASA) or any company accredited by ICASA.
- 5.6. Two way radio diagram for communication which integrate all eight (8) sites
- 5.7. Original contactable reference letter from at least three (3) clients at which the bidder has provided security services over the past three years and include in the reference letter the estimated value of each contract and the period (dates the contract was executed).
- 5.8. Training and skills development plan with time frame that covers code of conduct, new procedure of PSIRA, access control, record keeping procedure and in depth knowledge of security services.
- 5.9. Code of conduct policy and disciplinary procedure
- 5.10. Copies of the following documents duly certified by a Commissioner of Oath indicating the names of the certifying institution and designated Commissioner of Oath:
 - 5.10.1. A valid bidder's PSIRA Registration Certificate in terms of Private Security Industry Regulatory Act (Act 56 of 2001). Only registered service providers with PSIRA will be considered. The bidder whose registration is in process or has been suspended or withdrawn by PSIRA at the time of submission of the bid document will be disqualified.
 - 5.10.2. Valid Directors' PSIRA Registration Certificate at a minimum of Grade B with Private Security Industry Regulatory Authority (PSIRA) in terms of Private Security Industry Regulatory Act (Act 56 of 2001).
 - 5.10.3. A valid B-BBEE Status Level Verification Certificate or certified copies thereof to substantiate their B-BBEE rating claims or Affidavit. Failure to submit that certificate will result in the bidder not qualifying for preference points for BBEE. Joint venture must submit a consolidated B-BBEE Certificate. The bidders must submit verification certificates issued by SANAS accredited agencies.
 - 5.10.4. Gunsmith confirmation letter that firearms have been serviced within the last twelve months
 - 5.10.5. Valid firearm licenses and proof of ownership.
 - 5.10.6. Valid proof of registration for PAYE and SDL.
 - 5.10.7. Insurance cover for a minimum value R2 000 000.00 (Two Million Rand) and letter from insurance company confirming public liability cover.
- 5.11. Bidders must be registered on the CSD as service providers prior to submitting their bids. Bidders must therefore only furnish their CSD No. and Unique Security Code as a proof of registration as follows: -
 - i) CSD Registration No:.....
 - ii) Unique Security Code:

NB. Bidders are not required to submit the following copies as validation is done automatically on the CSD system:

- i) Original Tax Clearance Certificate
- ii) CIPC registration
- iii) ID Copies of directors / shareholders

6 SUBMISSION OF BID IN TWO (2) ENVELOPES

Please note, it is mandatory that bid documents **must be submitted in two envelopes** marked as follows:

- 6.1. Envelope 01:- Bid documents and Proposal (excluding pricing schedule annexure A and SBD 3) and
- 6.2. Envelope 02:- Pricing Schedule Annexure A and SBD.3 form

7 PRICE

- 7.1. The bidder should quote in line with sectorial determination six (6), Private Security Sector, Area 3,
- 7.2. Total price must be VAT inclusive

NB: Failure to comply with the above mentioned will render the bid non-responsive/invalid.

8 SIGNING OF THE CONTRACT AND SERVICE LEVEL AGREEMENT

The bid will be awarded on condition that the proposed successful bidder signs a Contract and Service Level Agreement with Limpopo Provincial Treasury based on the contents of this document, the bid offer and the letter of award.

9 ALL SHORTLISTED BIDDERS WILL UNDERGO SECURITY SCREENING

NB: FAILURE TO COMPLY WITH THE ABOVE MINIMUM REQUIREMENTS MAY LEAD TO DISQUALIFICATION OF THE BIDDER AT THE SOLE DISCRETION OF LIMPOPO PROVINCIAL TREASURY. FURTHERMORE, LIMPOPO PROVINCIAL TREASURY WILL NOT BE RESPONSIBLE FOR ANY COSTS INCURRED BY BIDDERS IN THE PREPARATION AND SUBMISSION OF THIS BID. BIDDER'S OWN TERMS OR CONDITIONS SHALL NOT BE ACCEPTED.

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10 EVALUATION CRITERIA

The bid will be evaluated in two stages as follows: -

10.1. Stage 1 - Functionality

10.2. Stage 2 - Pricing

CRITERIA	EVIDENCE	WEIGHT	TOTAL
A. Demonstrate Expertise in Guarding Services	Guarding experience		40
The bidder must demonstrate an in-depth experience and expertise of a minimum of 3 years in the field of Guarding Services within Government and/or the Private Sector, supported by contactable reference letters from 3 clients indicating the estimated value and period (dates) of each contract executed	1) More than 10 years 2) 5 -10 years 3) 3-5 years 4) 0-2	40 25 10 0	
B. Approach and methodology	Appropriateness business of implementation plan		15
Description on the roll out of the service including of operational plan and contingency plan.	1) Commendable Understanding of the terms of reference, comprehensive knowledge of security services and appropriate feasibility study conducted. 2) Methodology and Commitment.	15	

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	<p>3) 50% Contribution towards job creation in the Service Delivery Areas (SDA) communities</p> <p>4) Social Responsibility: Elaborate on how your entity/company practices support government initiative on Social Responsibility</p>		
	<p>1) Clear Understanding of the terms of reference, comprehensive knowledge of security services and appropriate feasibility study conducted.</p> <p>2) Methodology and Commitment.</p> <p>3) 40% Contribution towards job creation in the Service Delivery Areas (SDA) communities</p> <p>4) Social Responsibility: Elaborate on how your entity/company practices support government initiative on Social Responsibility</p>	10	
	<p>1) Satisfactory Understanding of the terms of reference, comprehensive knowledge of security services and appropriate feasibility study conducted.</p> <p>2) Methodology and Commitment.</p> <p>3) 30% Contribution towards job creation in the Service Delivery Areas (SDA) communities</p> <p>4) Social Responsibility: Elaborate on how your entity/company practices support government initiative on Social Responsibility</p>	5	
	<p>1) None submission / Proposal plan</p>	0	

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C. Training and Skills Development Plan			12
	1) Training and skills development plan with time frame that covers code of conduct and new procedures of PSIRA, <u>access control</u>, Procedures and record keeping and in-depth knowledge on security services	12	
	2) Training and skills development plan with time frame that covers code of conduct and new procedures of PSIRA, Procedures and record keeping and in-depth knowledge on security services	9	
	3) Training and skills development plan with time frame that covers code of conduct and new procedures of PSIRA and in-depth knowledge on security services	6	
	4) Training and skills developments plan that covers in-depth knowledge security services	3	
	5) None Submission or Poor Training Plan	0	
D. Contingency Plan			8
	1) Contingency plan that identifies and priority risk, covers strike by security services, strike by department in the event of labour unrest , extra security services in the event of ad hoc security related operations and contingency plan in the event of fire.	8	

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	2) Contingency plan that covers strike by security services, strike by department in the event of labour unrest, extra security services in the event of ad hoc security related operations and contingency plan in the event of fire.	6	
	3) Contingency plan that covers strike by security services, extra security services in the event of ad hoc security related operations and contingency plan in the event of fire.	4	
	4) Contingency plan that covers strike by security services , and contingency plan in the event of fire.	2	
	5) None Submission	0	
E. Technical Matters (Equipment applicable to security services)	Security equipment's		25
	1) Base radio	2	
	2) Registers to be used (provide copies)	2	
	3) Fire-arms with all relevant documents (i.e. Fire-arm licence) Pistols		
	• Firearm list printout from SAPS and Firearms in stock	2	
	• Firearms committed on contracts	1	
	• Firearms available for new contracts (a minimum of 8 firearms – Pistols)	2	
	4) Pocket book	1	
	5) Two-way radios	1	
	6) Handheld metal detector	1	
	7) Handcuffs	1	
	8) Vehicle(s) (branded in company logo)	2	

	9) Uniform and identification cards	1	
	10) Flashlight (4 cell)	1	
	11) Bullet proof jackets	1	
	12) Firearm safes and disarming units	3	
	13) Guard patrol monitoring system	4	
TOTAL		100	

NB: Bidders that score less than 70% points out of 100 in respect of functionality will be regarded as non-responsive and will not be considered for further evaluation. Points scored by qualifying bidders will not be taken into consideration for price and BBEE evaluation.

6. PREFERENCE POINTS

The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable in terms of the Preferential Procurement Framework Act, 2005 (Act No.5 of 2000) and its regulations. 8.1 Preference points shall be allocated as follows: -

Folio No.	Criteria	Points
4.1	Price	80
4.2	B-BBEE status level of contribution	20
TOTAL		100

7. COMPULSORY BRIEFING SESSION

Date: 25/10/2022
Time: 10h00
Venue: Limpopo Provincial Treasury
ISMINI Towers
1st Floor Foyer
46 Hans van Rensburg Building
POLOKWANE

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8. RESERVATION OF RIGHTS

Limpopo Provincial Treasury reserves the right to: -

- 8.1 Request further information from any bidder after the closing date of the bid;
communicate only with the shortlisted bidders as and when necessary; Verify information and documentation of respective bidder from the National Treasury's Centralized Supplier Database (CSD) system, South African Revenue Services (SARS), Private Security Industry Regulatory Authority (PSIRA), Companies & Intellectual Property Commission (CIPC), National Treasury or any other relevant entity or visit the premises of the bidder at any time without notice.
- 21.2 Any information received which does not correspond with the one provided in the bid document will render the bid null and void;
- 21.3 Award the bid to a bidder who did not score the highest points;
- 21.4 Not make an award;
- 21.5 Appoint a third party to evaluate the service provider's compliance with any aspect of this bid;
- 21.6 Cancel the contract, if it is satisfied that any person (being an employee, partner, director or shareholder of the bidder or a person acting on behalf of or with the knowledge of the bidder), firm or company (The expression "person, firm or company" shall include an authorized employee or agent of such a person, firm or company);
- 21.7 is executing a contract with government unsatisfactorily;
- 21.8 has offered, promised or given a bribe or other gift or remuneration to any officer or employee in the Public Service in connection with obtaining or executing a contract;
- 21.9 has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining a contract with any government department, provincial administration, public body, company or person, or that he has managed his affairs in such a way that he has in consequence there-of been found guilty of a criminal offence;
- 21.10 has approached an officer or employee in the Public Service before or after bids have been called for, to influence the award of the contract in his favour;
- 21.11 has withdrawn or amended his bid after the time set for the receipt and opening of bids;

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- 21.12 when advised that his bid has been conditionally accepted, has given notice of his inability to execute or sign the contract or to furnish any security required.
- 21.13 has entered into any agreement or arrangement, whether legally binding or not, with any other person, firm or company to refrain from bidding for this contract, or as to the amount of the bid to be submitted by either party; and
- 21.14 has disclosed to any other person, firm or company the exact or approximate amount of his proposed bid except where disclosure, in confidence, was necessary to obtain insurance premium quotations for the preparation of the bid; the Limpopo Provincial Treasury may, in addition to any other legal recourse which it may have, cancel the contract between Treasury department and such person, firm or company and /or resolve that no bid from such a person, firm or company will be favourably considered for a specific period.

NB:

- ✓ **Service Providers are urged to read and understand the contents of SBD 4 form and special attention on 2.3. failure to disclose the information will lead to disqualification.**
- ✓ **If a bidder intends to cede the right to payment to an institution as prescribed. The bidder must attach such draft cession agreement to the bid proposal (See attached Treasury Instruction Note NO.7 of 2022/2023).**
- ✓ **The department reserves the right to negotiate the final price.**

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Ref. No: 4/2/R/1

TREASURY INSTRUCTION NOTE NO. 7 OF 2022/2023:

**IMPLIMENTATION OF CESSION OF PAYMENT BY ORGANS OF STATE: ALL
PROVINCIAL DEPARTMENTS AND PUBLIC ENTITIES**

THE PREMIER

THE SPEAKER: LIMPOPO PROVINCIAL LEGISLATURE

THE DEPUTY SPEAKER: LIMPOPO PROVINCIAL LEGISLATURE

THE MEC FOR EDUCATION

THE MEC FOR AGRICULTURE AND RURAL DEVELOPMENT

THE MEC FOR FINANCE

THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM

THE MEC FOR HEALTH

THE MEC FOR TRANSPORT AND COMMUNITY SAFETY

THE MEC FOR PUBLIC WORKS, ROADS AND INFRASTRUCTURE

THE MEC FOR CO-OPERATIVE GOVERNANCE HUMAN SETTLEMENT AND
TRADITIONAL AFFAIRS

THE MEC FOR SOCIAL DEVELOPMENT

THE MEC FOR SPORT, ARTS AND CULTURE

ALL OTHER MEMBERS OF THE LEGISLATURE

For Information

THE ACCOUNTING OFFICER: VOTE 01: DIRECTOR GENERAL

THE ACCOUNTING OFFICER: VOTE 03: EDUCATION

THE ACCOUNTING OFFICER: VOTE 04: AGRICULTURE AND RURAL DEVELOPMENT

THE ACCOUNTING OFFICER: VOTE 05: PROVINCIAL TREASURY

THE ACCOUNTING OFFICER: VOTE 06: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM

THE ACCOUNTING OFFICER: VOTE 07: HEALTH

THE ACCOUNTING OFFICER: VOTE 08: TRANSPORT AND COMMUNITY SAFETY

THE ACCOUNTING OFFICER: VOTE 09: PUBLIC WORKS, ROADS AND INFRASTRUCTURE

THE ACCOUNTING OFFICER: VOTE 10: SPORT, ARTS AND CULTURE

THE ACCOUNTING OFFICER: VOTE 11: CO-OPERATIVE GOVERNANCE HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS

THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT

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THE ACCOUNTING AUTHORITY: LIMPOPO ECONOMIC DEVELOPMENT AGENCY
THE ACCOUNTING AUTHORITY: LIMPOPO GAMBLING BOARD
THE ACCOUNTING AUTHORITY: LIMPOPO TOURISM AGENCY
THE ACCOUNTING AUTHORITY: ROAD AGENCY LIMPOPO
THE ACCOUNTING AUTHORITY: GATEWAY AIRPORTS AUTHORITY LIMITED

THE MANAGING DIRECTOR: LIMPOPO ECONOMIC DEVELOPMENT AGENCY
THE CHIEF EXECUTIVE OFFICER: LIMPOPO GAMBLING BOARD
THE CHIEF EXECUTIVE OFFICER: LIMPOPO TOURISM AGENCY
THE CHIEF EXECUTIVE OFFICER: ROAD AGENCY LIMPOPO
THE CHIEF EXECUTIVE OFFICER: GATEWAY AIRPORTS AUTHORITY LIMITED

THE CHIEF FINANCIAL OFFICER: VOTE 01: DIRECTOR GENERAL
THE CHIEF FINANCIAL OFFICER: VOTE 03: EDUCATION
THE CHIEF FINANCIAL OFFICER: VOTE 04: AGRICULTURE AND RURAL DEVELOPMENT
THE CHIEF FINANCIAL OFFICER: VOTE 05: PROVINCIAL TREASURY
THE CHIEF FINANCIAL OFFICER: VOTE 06: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM
THE CHIEF FINANCIAL OFFICER: VOTE 07: HEALTH
THE CHIEF FINANCIAL OFFICER: VOTE 08: TRANSPORT AND COMMUNITY SAFETY
THE CHIEF FINANCIAL OFFICER: VOTE 09: PUBLIC WORKS, ROADS AND INFRASTRUCTURE
THE CHIEF FINANCIAL OFFICER: VOTE 10: SPORT, ARTS AND CULTURE
THE CHIEF FINANCIAL OFFICER: VOTE 11: CO-OPERATIVE GOVERNANCE HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT

THE CHIEF FINANCIAL OFFICER: LIMPOPO ECONOMIC DEVELOPMENT AGENCY
THE CHIEF FINANCIAL OFFICER: LIMPOPO GAMBLING BOARD
THE CHIEF FINANCIAL OFFICER: LIMPOPO TOURISM AGENCY
THE CHIEF FINANCIAL OFFICER: ROAD AGENCY LIMPOPO
THE CHIEF FINANCIAL OFFICER: GATEWAY AIRPORTS AUTHORITY LIMITED

THE PROVINCIAL AUDITOR

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1 PURPOSE

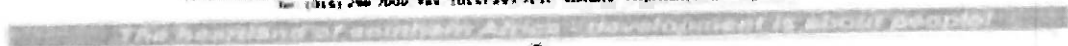
The purpose of this Instruction Note is to direct how cession for payments must be implemented in the Limpopo Provincial Government.

2 BACKGROUND

- 2.1. Section 18(2)(a) of the Public Finance Management Act, No. 1 of 199 as amended by Public Finance Management Amendment Act, No. 29 of 1999 provides that "A provincial treasury must issue provincial treasury instructions not inconsistent with this Act".
- 2.2. Service providers appointed to render services are from time to time requesting Provincial Departments and Public Entities (Procuring Institutions) to consider and/or sign cession agreements with various finance institutions / commercial banks. This poses a potential risk that may lead to audit queries since the Province does not have a policy that regulate the implementation of cession of payments.
- 2.3. In giving effect to the provisions stipulated in paragraph 2.1 above, the Limpopo Provincial Treasury deemed it necessary to issue this Instruction Note to close the identified gap outline in paragraph 2.2 above.
- 2.4. Cession is the transfer of only the rights a cedent (service provider) has in terms of a contract with an organ of state to a cessionary (finance institution / commercial bank). In this regard, the only right that the cedent may transfer to the cessionary is payment for the services that the cedent has rendered to an organ of state.
- 2.5. The cedent remains obligated to render service to the organ of state in line with the signed contract while the organ of state pays for the service rendered to a cessionary.
- 2.6. The assignment of contract is not allowed since it will be in contravention of section 217 of the Constitution of the Republic of South Africa. (Assignment of contracts involves the transfer of both the rights and obligations in a contract which implies that the service provider

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For more information, go to the website of the Department of Public Finance Management, Limpopo Provincial Treasury, P.O. Box 45899, Polokwane, 0110
Tel: (015) 299 7000 Fax: (015) 299 7111 Website: <http://www.limpopo.gov.za>



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that has been appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of payment for service rendered) to a third party that was not part of the bidding process or a bidder that participated in the bidding process but was not the successful bidder.)

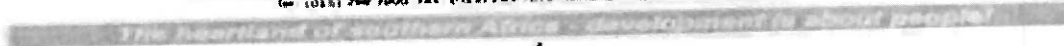
**3 DIRECTIVE TO INSTITUTIONS (DEPARTMENTMENTS AND PUBLIC ENTITIES)
ON CESSION OF PAYMENT**

3.1 CESSIONS OF PAYMENT SHALL ONLY BE APPLICABLE AS FOLLOWS:

- 3.1.1. Cession of payments will only be permissible to a registered financial institution in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 or an approved credit provider in terms of the National Credit Act 34 of 2005.
 - 3.1.2. Institutions to include a clause in the terms of reference of all their advertised bids / quotations, that will require bidders to advise on whether or not they intend to cede their rights to payment to an institution as prescribed in 3.1.1 and request a draft cession agreement to be included in the bid proposal / quotation;
 - 3.1.3. If a Bidders intends to cede the right to payment to an institution as prescribed in 3.1.1, the bidders must attach such draft cession agreement to their bid proposal;
 - 3.1.4. Institutions to include a provision in the service level agreement that provides for the consideration by the Accounting Officer of a written request by the service provider (cedent) for the cession of rights to payment in the event that the service provider experiences financial difficulties during the execution of the contract, such written request must be accompanied by the cession agreement between the cedent and the cessionary ;
- 3.2. The cession of payment will only come into effect upon consent by the relevant Accounting Officer/Accounting Authority.

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Tel: (021) 294 2600 Fax: (021) 294 2110 Website: <http://www.health.gov.za>



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- 3.3. Before consenting to a request for cession of payment, the Accounting Officer/Authority must undertake the following:
- 3.3.1. Review the reasons for the request for cession;
 - 3.3.2. Ensure that the request for cession is not as a result of attempts at fronting, engaging in combative or anti-competitive practices, disguising fraudulent activities (e.g. non-payment of VAT);
 - 3.3.3. Ensure that the cessionary is a registered financial institution in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 or an approved credit provider in terms of the National Credit Act 34 of 2005; and
 - 3.3.4. Ensure that the cessionary is not restricted from conducting business with the state.
- 3.4. Should the Accounting Officer agree to a cession, the Accounting Officer must advise the cedent that
- 3.4.1. An official purchase order by the contracting institution will be issued in the name of cedent
 - 3.4.2. All payments in respect of that specific contract/purchase order should be made to the cessionary and
 - 3.4.3. Neither the contracting institution nor Provincial Treasury will be liable for recovery or re-imbursment of payments due to cedent by the cessionary.
- 3.5. Provincial Departments must follow the procedure outlined in the LOGIS Notice No. 9 of 2016 that deals with interim arrangements for ceded payments. The notice prescribes that the departments should appoint an official who will deal with Cession of payments on LOGIS and submit such to National Treasury for appointment. [Attached hereto as Annexure A].
- 3.6. Once a consent for cession of payment is given by the Accounting Officer of a Department, the Department must:
- 3.6.1. Create a Ceded Payment LOGIS Number (CPLN) which is a non-CSD LOGIS number and provide proof thereof to the cedent;
 - 3.6.2. Ensure that an official purchase order reflects the CPLN;

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- 3.6.3. Ensure that an order is issued to the cedent together with a LOGIS screenshot reflecting the cessionary's bank details for the CPLN; and
- 3.6.4. Ensure that where a cession of payment has been approved, an official purchase order in respect of the said contract must not be issued/re-issued without the cedent's CPLN, except with the cessionary's prior written approval.
- 3.7. As Public Entities have varying financial systems Public Entities must ensure that they have internal control measures in place for effective implementation of cession of payments.

4 CONFIRMATION OF CONTRACTS/PURCHASE ORDERS

Procuring Institutions must confirm the legitimacy of the contract/official purchase order as and when required by the cedent and/or cessionary.

5 SUBMISSION OF INVOICES

- 5.1. The cedent and the cessionary must ensure that:
 - 5.1.1. All submitted invoices involving cession of payment have the banking details of the nominated cessionary's bank account.
 - 5.1.2. All invoices must have a copy of a signed cession agreement between the cedent and the cessionary.
 - 5.1.3. Any changes in the nominated banking account details must be communicated to the Procuring Institution in writing signed by both the cedent and the cessionary.

6 PAYMENTS

- 6.1. Procuring Institution must:
 - 6.1.1. Effect all due payments to the nominated bank account stipulated in the cession agreement signed between the cedent and the cessionary.
 - 6.1.2. Payment updates may only be communicated to the cedent and/or cessionary where a consent form has been submitted to the organ of state signed by both the cedent and the cessionary.

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7 MONITORING OF CESSION OF PAYMENTS

7.1. Procuring Institution must:

- 7.1.1. Ensure that all the contracts/purchase orders with approved cession of payments are monitored.
- 7.1.2. Hold meetings with the cessionary and the cedent as and when the need may arise.

8 SUBMISSION OF REPORTS

8.1. Procuring Institution must:

- 8.1.1. Submit reports to Limpopo Provincial Treasury on quarterly basis regarding the implementation of cession of payment.
- 8.1.2. The quarterly report must be in line with the reporting template provided by Limpopo Provincial Treasury.

9 REPEAL

None

10 AUTHORITY FOR THE INSTRUCTION NOTE

This Instruction Note is issued in terms of s18 of the PFMA

11 APPLICABILITY

This Instruction Note is applicable to all PFMA Provincial institutions.

12 EFFECTIVE DATE FOR IMPLEMENTATION

The effective date of the Instruction Note is the date of signature

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13 DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION NOTE

Accounting Officers/Authorities are requested to bring the contents of this Instruction Note to the attention of all officials within their department and/or public entities.

14 NOTIFICATION OF THE AUDITOR-GENERAL AND AUDITABILITY OF THE INSTRUCTION

The Auditor General shall be notified of the contents of this Instruction Note and contents thereof will be subject to audit.

13. CONTACT OFFICE

Chief Director: Provincial Supply Chain Management

Ms. M.B Rakubu

Tel: (015) 291 8726

Office No: 204 (Finance House)

E-mail: rakubumb@treasury.limpopo.gov.za



PRATT G.C CA (SA)
HEAD OF DEPARTMENT

27 July 2022
DATE

TREASURY INSTRUCTION NOTE NO. 7 OF 2022/2023: IMPLIMENTATION OF CESSION OF PAYMENT BY ORGANS OF STATE: ALL PROVINCIAL DEPARTMENTS AND PUBLIC ENTITIES

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