



BID NO: NGB 004(2023/2024)

REQUEST FOR PROPOSAL

**INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE
(3) YEARS**

08 March 2024

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PART A: INVITATION TO BID

YOU ARE HEREBY INVITED SUBMIT A BID FOR THE PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS

1.1 Description of services:

1.1.1 Suitable and qualified service providers are hereby invited to submit a bid proposal to render internal audit services to the National Gambling Board (NGB). This bid requires knowledge, experience and skills related specifically to internal auditing.

1.1.2 Bidders must prepare a detailed proposal and quotation based on the specifications outlined in Part B, as well as within the guidelines provided in the Evaluation Criteria (Part C).

1.2 Pertinent Bid Information:

1.2.1 Bid number	NGB 004(2023/2024)
1.2.2 Closing time	11H00 Central African Time (CAT)
1.2.3 Closing date	08 April 2024
1.2.4 Compulsory briefing session	There will be a compulsory briefing session held 20 March 2024 at 11H00 Central African Time (CAT) at 1085 Francis Baard Street, Hatfield, Pretoria, 0028
1.2.5 Description	Internal Audit Services for a period of three (3) years
1.2.6 Bid validity period	Offer to be valid for one hundred and eighty (180) days from the closing date of the tender
1.2.7 Contract duration	Three (3) years

1.3 The successful bidder will be required to sign a written Service Level Agreement (SLA). The SLA will be drawn up by the NGB.

1.4 The project shall commence after the appointment of a preferred service provider is confirmed, on a date determined by the NGB and as stipulated in the SLA to be concluded.

1.5 Bid documents must be submitted to: The National Gambling Board, 1085 Francis Baard Street, Hatfield, Pretoria, 0028.

1.6 Only bids submitted directly to the NGB on / before the closing date as indicated above shall be accepted (no faxes or emailed bids will be accepted).

1.7 Bidders should ensure that bids are delivered before the closing date and time and to the correct address. If the bid is late, it will not be accepted for consideration.

- 1.8 Bids must be delivered between 08H30 and 16H00 (CAT), Mondays to Fridays, prior to the closing date, and between 08H30 and 11H00 (CAT) on the closing date.
- 1.9 **A two (2)-envelope system will apply. Therefore, technical and financial proposals must be submitted in separate, sealed envelopes clearly marked “Technical Proposal” and “Financial Proposal” at the same time.**
- 1.10 Bids will be **evaluated** in accordance with the **80/20 preference point system** contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).
- 1.11 Technical proposals will be opened at **11H15 (CAT)** on the **08 April 2024**.
- 1.12 Financial Proposals will be opened only after the technical proposals have been evaluated and only with respect to the proposals that achieve the minimum qualifying score for functionality. Subsequent to this, a list of all bidders, along with their Bid Prices only for those bids that were opened (as these bids would have passed the technical evaluation stage) will be published on the NGB’s website and the National Treasury E-Tender Portal.
- 1.13 All bids must be submitted on the NGB official forms.
- 1.14 This bid is subject to the General Conditions of Contract (GCC), as well as Special Conditions of Contract (SCC).
- 1.15 There will be a compulsory briefing session first at 1085 Francis Baard Street, Hatfield, Pretoria, 0028 on **20 March 2024 at 11H00** Central African Time (CAT). The **deadline** for queries is **25 March 2024 at 16H00**.
- 1.16 Only institutions/consortiums/companies/individuals that attend the compulsory briefing session will be considered for this bid. An attendance register must be signed by bidders as confirmation of attendance. Failure to sign the attendance register in the name of the institution submitting a response to the bid will result in the bid not being considered for further evaluation.
- 1.17 Bids that do not comply with the mandatory aspects of this document shall not be considered for evaluation.
- 1.18 Bids submitted that do not comply with the following, will be considered non-responsive, and **will not be considered for evaluation**:
 - 1.18.1 A bid that is not in the format prescribed.
 - 1.18.2 A bid without some or all of the required documents.
 - 1.18.3 Pricing schedules not in the required format.
 - 1.18.4 Bid proposals that do not include a company resolution authorising a particular person to sign bid documents. Failure to provide such proof of authority to sign

the bidder's proposal will render the bid materially incomplete and thus non-responsive.

1.18.5 Proposals that are not submitted in 2 separate, clearly marked/ labelled and sealed envelopes / packages as indicated under PART C of this Request for Proposal (RFP).

1.18.6 Bidders that do not attend the compulsory briefing session. Failure to sign the attendance register in the name of the institution/consortium/company/individual submitting a response to the bid will result in the bid not being considered for further evaluation.

1.19 Furthermore, any alterations, changes, supplements to the tender document will be published on www.ngb.org.za.

1.20 **Confidentiality:** The bid and all related information shall be held in strict confidentiality by bidders and usage of such information shall be limited to the preparation of the bid. All bidders are bound by a confidentiality agreement preventing the unauthorised disclosure of any information regarding the NGB or of its activities to any other organisation or individual. Bidders may not disclose any information, documentation or products to other clients without written approval of the Accounting Authority or the delegated official.

1.21 **Intellectual Property, Inventions and Copyright:** Copyright of all documentation relating to this assignment belongs to the NGB. The successful bidders may not disclose any information, documentation or products to other clients without the written approval of the Accounting Authority (AA) or the person delegated. All the intellectual property rights arising from the execution of this Agreement remain with the NGB which shall be entitled to cede and assign such, and the service provider undertakes to honour such intellectual property rights and all future rights by keeping the know-how and all published and unpublished material confidential. In the event that the service provider would like to use any information or data generated in terms of the services rendered, prior written permission must be obtained from the NGB. The NGB shall own all material produced by the service provider during the course of or as part of rendering the services.

1.22 Neither the bidder, nor any of the members of the specification, evaluation and adjudication committee and / or the opening team, shall have any existing or potential conflict of interest during the course of undertaking the tendered project.

1.23 Any conflict of interest which can or has the potential to harm the integrity of the evaluation shall be explicitly disclosed by the bidder, providing detailed information on the scope and factors of such association with any or either object of the evaluation or any person involved in the intervention. In such cases the bidder must elaborate on how this conflict of interest would be handled by the bidder.

1.24 Based on the information provided by the bidder, the evaluation committee will make a recommendation regarding the bidder's conflict of interest to the Bid Adjudication Committee (BAC) and the AA for final decision.

1.25 Any queries regarding the bidding process and technical information may be directed to:

Name: Procurement Practitioner

Email: scm@ngb.org.za

1.26 The closing date and time for **written queries** is **25 March 2024 at 16H00**. Only written queries will be considered and responded to.

2. PART B: TERMS OF REFERENCE

2.1 INTRODUCTION AND MANDATE

- 2.1.1 The NGB is a statutory body established in terms of the National Gambling Act, 2004 (Act 7 of 2004) to provide for the co-ordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering, and to provide for the continued regulation of those matters.
- 2.1.2 The NGB is listed as a Schedule 3A public entity in the Public Finance Management Act, 1999 (Act 1 of 1999).
- 2.1.3 In terms of the PFMA, the NGB must ensure that it has and maintains a system of internal audit under the control and direction of an audit committee, thereby complying with and operating in accordance with regulations and instructions prescribed in terms of Section 76 of the afore-mentioned Act.

2.2 PROJECT OBJECTIVE

The objective of the project will be:

- 2.2.1 To assist the NGB to accomplish its objective by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management processes, internal controls and governance processes.
- 2.2.2 To provide professional and independent assurance that adequate controls are in place to mitigate risks to the lowest possible level.
- 2.2.3 To ensure that the NGB's operational activities are in accordance with planned objectives.
- 2.2.4 To ensure that the NGB maintains clean external audit opinions.

2.3 SCOPE

The successful bidder will be required to:

- 2.3.1 Conduct the internal audit services in accordance with the standards set by the Institute of Internal Auditors (IIA).
- 2.3.2 Submit and present a three (3) year rolling internal audit plan based on its assessment of key risk areas stemming from the NGB's strategic plan and annual performance plan (APP).

- 2.3.3 Perform risk-based internal audit reviews in terms of the approved internal audit plan.
- 2.3.4 Review the adequacy and effectiveness of the internal control systems.
- 2.3.5 Review operations to ascertain that activities being carried out are consistent with established and approved objectives.
- 2.3.6 Review the NGB's annual financial statements (AFS) in line with Generally Recognised Accounting Practice (GRAP) before they are submitted to external auditors.
- 2.3.7 Communicate audit findings to management and the Audit and Risk Committee (ARC) and ensure they are fully aware of the implications to business operations.
- 2.3.8 Provide audit reports with recommendations for improvement.
- 2.3.9 Provide input to the ARC pack where necessary and attend all ARC meetings. Preparation for, submissions and attendance of ARC meetings.
- 2.3.10 Manage the fraud hotline for the NGB. The prospective service provider will receive emails directly from the NGB's hotline and will be required to forward these emails, as and when received, to the dedicated official within the NGB for action. The prospective service provider must report on fraud-related matters quarterly to the ARC.
- 2.3.11 Perform any ad-hoc and specialist services/audits as and when requested by the NGB.

2.4 REQUIREMENTS

Proposals should include:

- 2.4.1 A proposed three-year plan of action to achieve the objectives of the internal audit function.
- 2.4.2 A demonstrated ability to carry out:
 - a) Financial Discipline Reviews (FDR);
 - b) Audit of Supply Chain Management (SCM);
 - c) Review of Human Resource Practices;
 - d) Information Systems audits (Information Technology General Controls and vulnerability & penetration testing);
 - e) Performance Information audits;

- f) Risk Management and Fraud Prevention activities;
- g) AFS review; and
- h) Management of NGB's fraud hotline.

2.4.3 A demonstration of public sector experience in the field of internal auditing, including PFMA listed entities is required. To this end, a list of entities for which internal audit services have been provided during the past three (3) years is required. This list shall include entity names, type of entity, contact names and telephone numbers and dates when services were rendered.

2.4.4 An organogram of key personnel assigned to this project, accompanied by CVs indicating each team member's educational background and experience, is required.

2.4.5 Submit proof of registration with the IIA for each registered member. The NGB will confirm the registration membership with the IIA. It is the responsibility of the members to ensure that their name appears on the IIA website if they are registered.

2.5 FORMAT OF THE PROPOSALS

Bidders must complete all the necessary bid documents and undertakings required in this bid document. Bidders are advised that their proposal should be concise, written in plain English and simply presented. The following documents/information must form part of the bid proposals and presented in the order indicated below:

2.5.1 A response to the Terms of Reference, ensuring that all the aspects of the Evaluation Criteria are clearly covered. Value-adds must be separately labelled as such;

2.5.2 An acknowledgement and response to the Evaluation Criteria and Special Conditions of Contract;

2.5.3 An organogram of the proposed key personnel that will be assigned to the project and their CV's;

2.5.4 A company profile;

2.5.5 Reference letters from five (5) PFMA-listed entities for which similar services have been provided in the past five (5) years;

2.5.6 Submit proof of registration with the IIA for each registered member. The NGB will confirm the registration membership with the IIA. It is the responsibility of the members to ensure that their name appears on the IIA website if they are registered.

2.5.7 Completed SBD forms;

2.5.8 A CSD registration number and tax clearance pin.

3. PART C: PROCEDURAL REQUIREMENTS

3.1 LEGAL REQUIREMENTS

3.1.1 In its procurement of goods and services, the NGB observes the Constitution of the Republic of South Africa, 1996, Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA), Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) (B-BBEE), Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) (PPPFA) and all relevant statutory requirements.

3.2 TENDER SUBMISSION

3.2.1 All prospective bidders **must** be registered on National Treasury's Central Supplier Database (CSD) prior to submission of bids.

3.2.2 Proposals **must** be submitted in 2 separate, clearly marked / labelled and sealed envelopes / packages as follows:

- **Envelope / Package 1 – Technical Proposal:** 1 original plus 5 copies of the original technical proposal and 1 USB containing the technical proposal must be submitted to the NGB.
- **Envelope / Package 2 – Financial Proposal:** 1 original plus 5 copies of the original financial proposal and 1 USB containing the financial proposal must be submitted to the NGB.

3.2.3 Bidders **must** initial on each page, sign and insert a date on the last page of the following documents:

- General Conditions of Contract;
- Special Conditions of Contract (RFP)

3.2.4 Prospective bidders **must not submit** the following documentation as this information will be verified through the CSD:

- 3.2.4.1 Business registration
- 3.2.4.2 Bank account holder information
- 3.2.4.3 In the service of the state status
- 3.2.4.4 Tax Compliance status (tax clearance certificate), **however**, your SARS Tax Pin **must** be submitted.
- 3.2.4.5 Identity Documents of Directors

3.3 BID EVALUATION, ADJUDICATION AND FINAL AWARD

3.3.1 Bids will be **evaluated** in accordance with the **80/20 preference point system** contemplated in the PPPFA.

3.3.2 The **evaluation of the bids** will be **conducted** in **four (4) phases**, namely:

3.3.2.1 Phase 1: Pre-qualification Stage: Administrative and Substantive Responsiveness.

3.3.2.2 Phase 2: Functional evaluation in accordance with functional requirements of the bid

3.3.2.3 Phase 3: Price and specific goals evaluation in accordance with the PPPFA

3.3.2.4 Phase 4: Adjudication of bid and Final Award

3.3.3 The NGB will evaluate and compare only the Bids determined to be substantially responsive in Phase 1.

3.3.4 During Phase 2, the NGB will conduct a detailed evaluation of the Bids in order to determine whether the Bidders are qualified and if the functional aspects are substantially responsive to the requirements outlined in the RFP.

3.3.5 Bidders are required to quote a price and provide a breakdown of the price in the manner and detail called for in the pricing schedules, SBD 3.3, as well as, of Part B as per par. 2 (PART B) of this RFP.

3.3.6 The NGB reserves the right to accept or reject any variation, deviation, or alternative offer.

3.3.7 Variations, deviations, and alternative offers and other factors, which are in excess of the requirements of the Bidding documents or otherwise result in unsolicited benefits for the NGB will not be taken into account in the Bid evaluation.

3.3.8 The **evaluation process** is broken down into **four (4) phases** as follows:

3.3.8.1 Phase 1: Pre-Qualification Stage: Administrative and Substantive Responsiveness

- a) During Phase 1 all bids will be evaluated to ensure compliance with minimum requirements.
- b) Proposals submitted that do not comply with the following, will be considered non-responsive, and will not be considered for evaluation:
 - i. A Bid Proposal that is not in the format prescribed.
 - ii. A Bid Proposal without some or all of the required documents.
 - iii. Pricing schedules not in the required format.
 - iv. Bid proposals that do not include a company resolution authorising a particular person to sign bid documents.

Failure to provide such proof of authority to sign the bidder's proposal will render the bid materially incomplete and thus non-responsive.

- v. Bidders that do not attend the compulsory briefing session. Failure to sign the attendance register in the name of the institution/consortium/company/individual submitting a response to the bid will result in the bid not being considered for further evaluation.
 - vi. Bid Proposals that are not submitted in 2 separate, clearly marked/ labelled and sealed envelopes / packages as follows:
 - **Envelope / Package 1 – Technical Proposal.**
 - **Envelope / Package 2 – Financial Proposal.**
- c) Bids that comply with the minimum requirements will be regarded as responsive and such bids will advance to Phase 2 of the evaluation process.
- d) Non-responsive bids will not advance to Phase 2 of the evaluation process.

3.3.8.2 Phase 2: Functional Evaluation in Accordance with the Functional Requirements of the Bid

- a) All bids that advance to Phase 2 will be evaluated by the NGB to determine compliance with the functional requirements of the bid.
- b) During Phase 2 all bids will be evaluated for functionality which will account for 100% of the functional evaluation criteria score.
- c) Under Technical Evaluation, bidders who score 70% or higher will qualify for further consideration in Phase 3.
- d) Points will therefore not be awarded for their Price and Specific goals credentials at this juncture in the process.
- e) The percentage scored for functionality shall be calculated as follows:
 - i. Each panel member shall award values for each individual criterion on a score sheet. The value scored for each criterion shall be multiplied by the specified weighting for the relevant criterion to obtain the percentage scored for the various criteria. These percentages should be added to obtain the total score.
 - ii. The percentages of each panel member shall be added together and divided by the number of panel members to establish the

average percentage obtained by each individual bidder for functionality.

- f) The NGB reserves the right, prior to conclusion of Phase 2 of evaluation, to call in bidders that receive a score for technical evaluation of 70% and above, to make a presentation to the NGB.
- g) In such instances, the presentation will be scored using the same functional evaluation criteria that was utilised for technical evaluation.
- h) The scores for presentations will then be calculated for each member as indicated above.
- i) Scores for technical evaluation and presentations will be allocated 50% and 50% percent respectively. Bidders must achieve a combined minimum score of 70% out of 100% on the functionality evaluation in order to advance to Phase 3.
- j) The preparation costs and all expenses associated with presentation will be for the bidders' own account.

3.3.8.2.1 Evaluation criteria: All qualifying bids will be evaluated in accordance with the criteria as stipulated in the table below:

Evaluation Criteria	Rating					Weight	Total															
	1	2	3	4	5																	
The Bids will be evaluated on a scale of 1 – 5 in accordance with the criteria below. The rating will be as follows: 1 = Very poor, 2 = Poor, 3 = Good, 4 = Very good, 5 = Excellent																						
1. Functionality																						
<u>Approach and methodology:</u> Bidders must provide a detailed description of how they intend executing the assignment from inception to completion. Proposed audit approach and methodology must include a three (3) year rolling internal audit plan describing how each of the following focus/audit area will be approached over a three (3) year period:						35																
<table border="1"> <thead> <tr> <th rowspan="2">Focus/audit area</th> <th colspan="3">Hours required</th> </tr> <tr> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> </tr> </thead> <tbody> <tr> <td>Annual Risk Assessment</td> <td>30</td> <td>30</td> <td>30</td> </tr> <tr> <td>Review of controls</td> <td>30</td> <td>30</td> <td>30</td> </tr> </tbody> </table>	Focus/audit area	Hours required			2024/25	2025/26	2026/27	Annual Risk Assessment	30	30	30	Review of controls	30	30	30							
Focus/audit area		Hours required																				
	2024/25	2025/26	2026/27																			
Annual Risk Assessment	30	30	30																			
Review of controls	30	30	30																			

Evaluation Criteria				Rating					Weight	Total
				1	2	3	4	5		
relating to Strategic Objectives										
PFMA/NGA Compliance Audit	80	80	80							
Quarterly review of performance information and reporting	80	80	80							
Information Technology: ITGC review	110	110	110							
Vulnerability and penetration testing	40	40	40							
Financial Discipline and Controls Review	50	50	50							
Supply Chain Management	50	50	50							
Human Resources	30	30	30							
Follow up on previous internal and external audit findings	80	80	80							
AFS Review	40	40	40							
Fraud hotline	30	30	30							
Preparation for, submissions for and attendance of Audit and Risk Committee meetings, and meetings with the dtic.	100	100	100							

Evaluation Criteria	Rating					Weight	Total
	1	2	3	4	5		
<p><u>Company track record:</u> A proven track record substantiated by reference letters from five (5) PFMA-listed entities for which similar internal audit services have been provided in the past three (3) years. This shall include the following information for each project undertaken:</p> <p>a) Entity name; b) Contact name and telephone number; c) Date when service was rendered; d) Description of service; e) Duration of project; and f) Contract price.</p> <p>The reference letter <u>must</u> be on the <u>letterhead</u> of the entity providing the reference. NB: A list of references will not be accepted.</p> <p>If more than five (5) letters are provided; only the first five (5) letters as contained in the bidder's original bid submission will be considered.</p> <p>The NGB reserves the right to confirm the validity of the letters.</p>						30	
<p><u>Expertise and experience of proposed team:</u> The team must comprise of at least three (3) team members. The CVs of the proposed members must cover the following areas of expertise:</p> <p>a) Financial Discipline; b) Supply Chain Management; c) Information Technology (ITGC and vulnerability & penetration testing); d) Risk Management; e) Organisational Performance Management; and f) Human Resources</p> <p>Number of years' experience of the proposed team members in:</p> <p>Public Procurement 3 years up to 5 = 3 + 5 years up to 7 = 4 more than 7 years = 5</p> <p>Internal/External Auditing</p>						35	

Evaluation Criteria	Rating					Weight	Total
	1	2	3	4	5		
<p>3 years up to 5 = 3 + 5 years up to 7 = 4 more than 7 years = 5</p> <p>Forensic Auditing 3 years up to 5 = 3 + 5 years up to 7 = 4 more than 7 years = 5</p> <p>Information Technology (IT) 3 years up to 5 = 3 + 5 years up to 7 = 4 more than 7 years = 5</p> <p>Detailed CVs of proposed team must be submitted and must elaborate on areas that they were involved in.</p> <p>Qualification Original certified copies by a commissioner of oaths of qualifications of the proposed personnel to be deployed to the project.</p> <ul style="list-style-type: none"> • Matric = 1 Point • Certificate/s = 2 Points • Degree/Diploma in Forensic Investigation/Audit /IT/SCM or related field = 3 points • Honour's degree in Forensic Investigation/Audit /IT/SCM or related field = 4 points • Master's degree or above in Forensic Investigation/Audit /IT/SCM or related field = 5 points <p>Certification provided must be no older than three (3) months from date of submission of this bid.</p>							
TOTAL POINTS FOR FUNCTIONALITY						100	
A threshold of 70% is applicable							

3.3.8.3 Phase 3: Awarding of Points for Price and Specific goals

- a) The bidders that have successfully progressed through to Phase 4 will be evaluated in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations 2022.
- b) 80 points will be awarded for price while 20 points will be allocated for preference points for specific goals as prescribed in the regulations.

3.3.8.4 Phase 4: Adjudication and Final Award of Bid

- a) The Bid Adjudication Committee will consider the recommendations of the evaluation committee and recommend the preferred bidder for appointment by the Accounting Authority.
- b) The successful bidder will usually be the service provider scoring the highest number of points or it may be a lower scoring bid on justifiable grounds or no award at all.

4 PART D: SPECIAL CONDITIONS OF CONTRACT

4.1 GUIDELINES ON COMPLETION

- 4.1.1** Bidders must indicate compliance or non-compliance in a paragraph in each section. Indicate compliance with the relevant bid requirements by marking the YES box and non-compliance by marking the NO box.
- 4.1.2** If the contents of the paragraph only need to be noted, please mark the NOTED box.
- 4.1.3** The bidder must clearly state if a deviation from these requirements is offered and the reason therefore.
- 4.1.4** If an explanatory note is provided, the paragraph reference must be attached as an appendix to the bid submission.
- 4.1.5** Should bidders fail to indicate agreement / compliance or otherwise, the NGB will assume that the bidder is not in compliance or agreement with the statement(s) as specified in this bid.
- 4.1.6** Bids not completed in the required manner will be considered incomplete and thus rejected.

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
1. GENERAL CONDITIONS OF CONTRACT					
1.1	The General Conditions of Contract must be signed.				
2. SPECIAL CONDITIONS					
2.1	During the evaluation of the bids, additional information may be requested in writing from bidders. Replies to such requests must be submitted within two (2) working days or as otherwise indicated. Failure to comply may lead to your bid being disregarded.				
3. BIDDERS RESPONSE					
3.1	All bidders will be required to provide a response to the Bid and submit their organisation's complete profile.				
3.2	Bidders will be held to their bids submitted.				
4. USE AND PROCESSING OF PERSONAL INFORMATION					
4.1	All bidders, including their personnel (as data subjects), hereby consent to the processing of personal information for the completion of the tender process and confirms that:				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
4.1.1	the personal information is supplied voluntarily, without undue influence from any party and not under any duress;				
4.1.2	the personal information which is supplied herewith is mandatory for the purposes of this tender process and without such personal information, the NGB would not be able to evaluate the bid proposal;				
4.1.3	they are aware of the right to access personal information at any reasonable time for purposes of rectification thereof;				
5. CONFIDENTIALITY					
5.1	The bid and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid.				
5.2	All bidders are bound by a confidentiality agreement preventing the unauthorised disclosure of any information regarding the NGB or of its activities to any other organisation or individual. The bidders may not disclose any information, documentation or products to other clients without written approval of the Accounting Authority or the delegated official of the NGB.				
6. DISPUTE RESOLUTION					
6.1	Any dispute arising from this RFP shall be communicated to the NGB within seven (7) working days from the publication of this RFP.				
6.2	Any disputes arising in relation to this RFP, the evaluation and/or the adjudication of the RFP or any other matter stemming from the RFP shall be adjudicated in terms of South African law, which law shall be the law governing the RFP, and any disputes arising shall be resolved via an arbitration process conducted by an independent arbitrator provided that nothing in this RFP shall preclude any party from seeking urgent interim relief from any South African courts.				
6.3	The arbitration award shall be final and binding on the parties to the dispute and the arbitrator shall have the right to determine the costs for each party to the dispute.				
7. INTELLECTUAL PROPERTY, INVENTIONS AND COPYRIGHT					
7.1	Copyright of all documentation relating to this assignment belongs to the NGB. The successful bidder(s)				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
	may not disclose any information, documentation or products to other clients without the written approval of the Accounting Authority or the person delegated of the NGB.				
7.2	All the intellectual property rights arising from the execution of this Agreement remain with the NGB who shall be entitled to cede and assign such and the service provider undertakes to honour such intellectual property rights and all future rights by keeping the know-how and all published and unpublished material confidential.				
7.3	In the event that the service provider would like to use any information or data generated in terms of the services rendered, the prior written permission must be obtained from the NGB.				
7.4	The NGB shall own all material produced by the service provider during the course of or as part of rendering the services.				
7.5	Clause 5 shall survive termination of this Agreement.				
8. COST STRUCTURE & PROJECT PLAN					
	The bid price shall be based on the actual cost of time spent and expenses incurred. In this regard, the following information shall be provided:				
8.1	The estimated time to be spent on the project.				
8.2	The hourly charge-out rates as set out in the "Guide on Hourly Fee Rates for Consultants" issued by the Department of Public Service and Administration (DPSA).				
8.3	The bid price for the project, inclusive of VAT.				
9. PAYMENTS					
9.1	No advance payments will be made in respect of this bid. Payments shall be made in terms of the deliverables as agreed upon and shall be made strictly in accordance with the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).				
9.2	The contractor shall from time to time, during the duration of the contract, invoice the NGB for the services rendered. No payment will be made to the contractor unless an invoice complying with section 20 of VAT Act, 1991 (Act 89 of 1991) has been submitted to the NGB.				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
9.3	Payment shall be made into the bidder's bank account normally within 30 days of receipt of an acceptable, valid invoice. (Banking details must be submitted as soon as this bid is awarded).				
9.4	The contractor shall be responsible for accounting to the appropriate authorities for its Income Tax, VAT or other moneys required to be paid in terms of applicable law.				
9.5	Prices charged by the bidder for goods delivered or services rendered under the contract shall not vary from the prices quoted by the bidder, with the exception of any price adjustments relating to rate of exchange or other unforeseen or incidental services (valid proof must be submitted).				
10. NON-COMPLIANCE WITH DELIVERY TERMS					
10.1	The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the contractor that they will not be able to deliver the goods/services within the delivery period and/or against the quoted price and/or as specified, the NGB must be given immediate written notice to this effect. The NGB reserves the right to implement remedies as provided by the law.				
11. WARRANTS AND SECURITIES					
	The bidder warrants that:				
11.1	It is able to conclude this Agreement to the satisfaction of the NGB subject to selection as the preferred bidder.				
11.2	Although the bidder will be entitled to provide services to persons other than the NGB, the bidder shall not without the prior written consent of the NGB, be involved in any manner whatsoever, directly or indirectly, in any business or venture which competes or conflicts with the obligations of the contractor to provide the services to the NGB.				
11.3	The successful bidder (company, directors or members and project team shall be subjected to a security screening/ vetting process conducted by the NGB or a service provider appointed by the NGB, if necessary.				
11.4	In the event the successful bidder sub contacts, the sub-contractor appointed to render services in respect to this bid may be subjected				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
	to the security screening / vetting process conducted by the NGB or a service provider appointed by the NGB, if necessary.				
11.5	A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher points for specific goals than the person concerned, unless the contract is subcontracted to an EME or QSE that has the capability and ability to execute the subcontract.				
12. PARTIES NOT AFFECTED BY WAIVER OR BREACHES					
12.1	The waiver (whether express or implied) by any Party of a condition of contract and/or any breach of the terms or conditions of this Agreement by the other Party shall not prejudice any remedy of the waiving party in respect of any continuing or other breach of the terms and conditions hereof.				
10.2	No favour, delay, relaxation or indulgence on the part of any Party in exercising any power or right conferred on such Party in terms of this Agreement shall operate as a waiver of such power or right nor shall any single or partial exercise of any such power or right under this Agreement.				
13. RETENTION					
13.1	Upon completion of the project and /or termination of the agreement, the successful bidder shall on demand hand over to the NGB all documentation, information, software, etc., without the right of retention.				
13.2	No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.				
14. COSTS					
14.1	The bidder will bear all the costs associated with the preparation of the response and no costs or expenses incurred by the bidder will be borne by the NGB.				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
15. CANCELLATION OF BID					
	The NGB may, prior to the award of the bid, have the right to cancel the bid if:				
15.1	Due to changed circumstances, there is no longer a need for the service; or				
15.2	Funds are no longer available to cover the part and/or total envisaged expenditure; or				
15.3	No acceptable bids are received.				
15.4	The NGB reserves the right to withdraw this bid, to amend the term or to postpone this work by email notice to all parties who have received this RFP document or via notice published on the NGB's website and/or the National Treasury's e-Tender Portal.				
16. SUBMISSION OF BIDS					
16.1	<p>Proposals must be submitted in 2 separate, clearly marked / labelled and sealed envelopes / package as follows:</p> <p>I. <u>Envelope / Package 1 – Technical Proposal:</u> 1 original plus 5 copies of the original technical proposal and 1 USB containing the technical proposal must be submitted as indicated below; and</p> <p>II. <u>Envelope / Package 2 – Financial Proposal:</u> 1 original plus 5 copies of the original financial proposal and 1 USB containing the financial proposal must be submitted as indicated below.</p> <p><u>Both Envelopes / Packages must be hand delivered to:</u> National Gambling Board 1085 Fracis Baard Street Hatfield Pretoria 0028</p> <p><i>NB: Bidders are to indicate on the cover of each document whether it is the original or a copy.</i></p>				
16.2	<p>Bids should be in 2 sealed envelopes / packages (as indicated in 16.1), <u>marked</u> with:</p> <ul style="list-style-type: none"> - Technical Proposal; or Financial Proposal, as applicable; - Bid number NGB 004 (2023/2024); - Bid name / description; and - The name and address of the 				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
	bidder Closing date and time (08 April 2024 at 11H00 CAT)				
17. LATE BIDS					
17.1	Late submissions will not be accepted. A submission will be considered late if it arrived only one second after 11H00 or any time thereafter. Bids that are submitted after the closing date and time will not be accepted under any circumstances. Bidders are therefore strongly advised to ensure that bids are hand-delivered to the NGB's reception and recorded on a bid register.				
18. COMPULSORY BRIEFING SESSION, COMPULSORY SITE INSPECTION AND CLARIFICATIONS					
18.1	There will be a compulsory briefing session held on 20 March 2024 at 11H00 Central African Time (CAT) at 1085 Francis Baard Street, Hatfield, Pretoria, 0028. The deadline for queries is 25 March 2024 at 16H00 .				
18.2	Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning this bid, is to be requested in writing to the Procurement Practitioner of the NGB. The bid number should be mentioned in all correspondence.				
19. FORMAT OF BIDS					
19.1	Bidders must complete all the necessary bid documents and undertakings required in this bid document. Bidders are advised that their proposals should be concise, written in plain English and simply presented. Proposals must be in the same order as indicated in 19.2 and 19.3 below.				
19.2	Financial Proposal – the following documents/information must be placed in an envelope / package marked "Financial Proposal": i. Cost breakdown of the project ii. Total value of the project over the stated period iii. Completed SBD 3.3				
19.3	Technical Proposal - the following documents/information must be placed in an envelope marked "Technical Proposal": i. Response to the Terms of Reference, ensuring that all the				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
	<p>aspects of the Evaluation Criteria are clearly covered. Value-adds must be separately labelled as such;</p> <p>ii. Acknowledgement and response to the Evaluation Criteria and Special Conditions of Contract;</p> <p>iii. Company profile;</p> <p>iv. Five (5) reference letters;</p> <p>v. Completed SBD forms (excluding SBD 3.3) and</p> <p>vi. General Conditions of Contract (the General and Special Conditions of Contract must be initialled on each page and signed fully and dated on the last page);</p> <p>In summary the following information will be required under the technical proposal:</p> <p>1. Bidders' response to Parts A, B, C, and D of the RFP; <u>and</u></p> <p>2. Bidders' response to the RFP on the following aspects of Part E must only be included:</p> <p>a) SBD 1;</p> <p>b) SBD 4; and</p> <p>c) SBD 6.1</p>				
20. PRESENTATIONS					
20.1	The NGB reserves the right to invite bidders for presentations before awarding the bid.				
20.2	Bidders will be given a minimum of three (3) days' notification where presentation will be required.				
21. NEGOTIATION					
21.1	The NGB has the right to enter into negotiation with a prospective bidder regarding any terms and conditions, including price(s) of a proposed contract.				
21.2	Similarly, the NGB reserves the right not to select any of the prospective bidders submitting proposals.				
21.3	The NGB shall not be obliged to accept the lowest of any quotation, offer or proposal.				
21.4	All bidders will be informed whether they have been successful or not.				
21.5	A contract will only be deemed to be concluded when reduced to writing in form of a service level agreement signed by the designated responsible persons of both parties.				
21.6	Documents submitted by bidders will not be returned.				

NO.	CONDITIONS	CONFIRMATION			
		YES	NO	NOTED	IF NO, INDICATE DEVIATION
22. DOMICILIUM					
22.1	The NGB hereto choose domicilia citandi et executandi for all purposes of and in connection with the final contract as follows: National Gambling Board 1085 Francis Baard, Hatfield Pretoria, 0028				

SIGNATURE OF BIDDER:

(Delegated official)

5 PART E: BIDDING DOCUMENTS (SBD FORMS)

The attached Standard Bidding Documents (SBD forms) form part of the bid documents and must all be completed or adhered to.

PART A– INVITATION TO BID

SBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NATIONAL GAMBLING BOARD (NGB)					
BID NUMBER:	NGB 004(2023/2024)	CLOSING DATE:	08 2024	April	CLOSING TIME: 11:00 CAT
DESCRIPTION: INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
The National Gambling Board					
1085 Francis Baard Street					
Hatfield					
Pretoria					
0028					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Procurement Practitioner		CONTACT PERSON	Procurement Practitioner	
TELEPHONE NUMBER	010 003 3475		TELEPHONE NUMBER	010 003 3475	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	scm@ngb.org.za		E-MAIL ADDRESS	scm@ngb.org.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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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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, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE (Professional Services) SBD 3.3

Internal audit services for a period of three (3) years

BID NUMBER: NGB 004(2023/2024)	CLOSING DATE: 08 April 2024
CLOSING TIME: 11H00 (CAT)	

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.

** (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_____ (**TOTAL BID PRICE FOR A PERIOD OF 3 YEARS**)

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

YEAR 1:

Audit area	Hours	No. of proposed team members	Cost (incl. VAT)
Annual Risk Assessment	30		
Review of controls relating to Strategic Objectives	30		
PFMA/NGA Compliance Audit	80		
Quarterly review of performance information and reporting	80		
Information Technology: ITGC review	110		
Vulnerability and penetration testing	40		
Financial Discipline and Controls Review	50		
Supply Chain Management	50		
Human Resources	30		

Audit area	Hours	No. of proposed team members	Cost (incl. VAT)
Follow up on previous internal and external audit findings	80		
AFS Review	40		
Fraud hotline	30		
Preparation for, submissions for and attendance of Audit, Risk Committee meetings, and meetings with the dtic.	100		
Estimated disbursements			
TOTAL			

YEAR 2:

Audit area	Hours	No. of proposed team members	Cost (incl. VAT)
Annual Risk Assessment	30		
Review of controls relating to Strategic Objectives	30		
PFMA/NGA Compliance Audit	80		
Quarterly review of performance information and reporting	80		
Information Technology: ITGC review	110		
Vulnerability and penetration testing	40		
Financial Discipline and Controls Review	50		
Supply Chain Management	50		
Human Resources	30		
Follow up on previous internal and external audit findings	80		
AFS Review	40		
Fraud hotline	30		
Preparation for, submissions for and	100		

Audit area	Hours	No. of proposed team members	Cost (incl. VAT)
attendance of Audit, Risk Committee meetings, and meetings with the dtic.			
Estimated disbursements			
TOTAL			

YEAR 3:

Audit area	Hours	No. of proposed team members	Cost (incl. VAT)
Annual Risk Assessment	30		
Review of controls relating to Strategic Objectives	30		
PFMA/NGA Compliance Audit	80		
Quarterly review of performance information and reporting	80		
Information Technology: ITGC review	110		
Vulnerability and penetration testing	40		
Financial Discipline and Controls Review	50		
Supply Chain Management	50		
Human Resources	30		
Follow up on previous internal and external audit findings	80		
AFS Review	40		
Fraud hotline	30		
Preparation for, submissions for and attendance of Audit, Risk Committee meetings, and meetings with the dtic.	100		
Estimated disbursements			
TOTAL			

Period required for commencement with project after acceptance of bid

Are the rates quoted firm for the full period of contract?

YES/NO

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

Any queries regarding bidding procedures and technical information may be directed to:

Name : Procurement Practitioner

Email : scm@ngb.org.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

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

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.

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 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

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.

will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....
Signature Date

.....
Position Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- 2.1 **“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;
- 2.2 **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- 2.3 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 2.4 **“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
- 2.5 **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- 2.6 **“All applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.
- 2.7 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 2.8 **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 2.9 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 2.10 **“Highest acceptable tender”** means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders.
- 2.11 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen
- (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution); and/or
 - (2) who is a female; and/or
 - (3) who has a disability:
provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI.
- 2.12 **“Lowest acceptable tender”** means a tender that complies with all specifications

and conditions of tender and that has lowest price compared to other tenders.

- 2.13 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 2.14 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.15 **“Person”** includes reference to a juristic person.
- 2.16 **“Person with Disability”** are persons who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into, or advancement in employment.
- 2.17 **“Price”** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts.
- 2.18 **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes.
- 2.19 **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 2.20 **“Specific goals”** means the goals as stipulated in the Preferential Procurement Regulations 2022.
- 2.21 **“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.
- 2.22 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- 2.23 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. **ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE**

- 3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- 3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

4. ADJUDICATION USING A POINT SYSTEM

- 4.1 A maximum of 20 or 10 points may be awarded to a tenderer for the specific goals for the tender.
- 4.2 The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 4.3 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.
- a. If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
 - b. If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points for specific goals, the contract must be awarded to the tenderer that scored the highest points for functionality.
 - c. If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

5. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

5.1 POINTS AWARDED FOR PRICE

5.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

POINTS AWARDED FOR PRICE

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

$$80/20 \quad \text{or} \quad 90/10$$

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

Where

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

6. POINTS AWARDED FOR SPECIFIC GOALS

- 6.1 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:
- 6.2 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.
- 6.3 Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust. Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
- 6.4 Listed companies and tertiary institutions do not qualify for HDI preference points.
- 6.5 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.
- 6.6 A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher points for specific goals than the person concerned, unless the contract is subcontracted to an EME or QSE that has the capability and ability to execute the subcontract.

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 GOAL	ACHIEVEMENT LEVEL	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(90/10 SYSTEM)</u>	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(80/20 SYSTEM)</u>
Persons historically disadvantaged on the basis of race	100% black ownership	4	8
	75% - 99% black ownership	3	6
	60% - 74% black ownership	2	4
	51% - 59% black ownership	1	2
	0 – 50% black ownership	0	0

SPECIFIC GOAL	ACHIEVEMENT LEVEL	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(90/10 SYSTEM)</u>	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(80/20 SYSTEM)</u>
Persons historically disadvantaged on the basis of gender (ownership by women)	100% black women ownership	2.5	5
	75% - 99% black women ownership	2	4
	60% - 74% black ownership	1.5	3
	51% - 59% black women ownership	1	2
	0 – 50% black women ownership	0	0

SPECIFIC GOAL	ACHIEVEMENT LEVEL	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(90/10 SYSTEM)</u>	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(80/20 SYSTEM)</u>
Persons historically disadvantaged on the basis of disability	100% disabled ownership	2	4
	75% - 99%	1.5	3
	51% - 74% disabled ownership	1	2
	0% – 50% disabled ownership	0	0

SPECIFIC GOAL	ACHIEVEMENT LEVEL	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(90/10 SYSTEM)</u>	TOTAL NUMBER OF POINTS THAT MAY BE CLAIMED <u>(80/20 SYSTEM)</u>
RDP goals:			
Business enterprises which are classified as SMMEs (EMEs or QSEs)	Yes	1.5	3
	No	0	0

- 6.7 A tenderer must submit CIPC registration documents as proof of ownership.
- 6.8 Points for persons historically disadvantaged on the basis of disability must be substantiated by a medical assessment report from an accredited medical practitioner. The medical assessment report must not be older than a year at the closing date of the tender or RFQ.
- 6.9 A tenderer must submit proof of its B-BBEE status level of contributor to substantiate a claim for RDP goals.
- 6.10 A tenderer failing to submit proof of specific goals shall not be disqualified but will score points out of 80 for price; and shall score 0 points out of 20 for specific goals.
- 6.11 Failure on the part of a tenderer to submit proof or documentation required to claim points for specific goals will be interpreted to mean that preference points for specific goals are not claimed.
- 6.12 The NGB 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 NGB.

7. BID DECLARATION

- 7.1 Bidders who claim points in respect of specific goals must complete the following:

The specific goals allocated points in terms of this tender	Number of points claimed <u>(90/10 system)</u> (To be completed by the tenderer)	Number of points claimed <u>(80/20 system)</u> (To be completed by the tenderer)
Persons historically disadvantaged on the basis of race		

Persons historically disadvantaged on the basis of gender (ownership by women)		
Persons historically disadvantaged on the basis of disability		
RDP goals: Business enterprises which are classified as SMMEs (EMEs or QSEs)		

8. SUB-CONTRACTING

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) Number of points claimed for specific goals
- iv) Whether the sub-contractor is an EME or QSE.

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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9. DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm.....

9.2 Company registration number:

9.3 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]

TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?

9.4 List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 7.

Name	Date/Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	* HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	

*Indicate YES or NO

9.5 Consortium / Joint Venture

9.5.1 In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with paragraph 9.4)	Percentage (%) of the contract value managed or executed by the HDI member

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:

GENERAL CONDITIONS OF CONTRACT

Refer to Annexure A