



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

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REFERENCE : BID VA49/01-2025/26
ENQUIRIES : tendersenquiries@dhs.gov.za

BID VA49/01-2025/26: TERMS OF REFERENCE FOR THE APPOINTMENT OF A PANEL OF INTERNAL AUDIT, A PANEL OF RISK MANAGEMENT AND A PANEL OF FORENSIC INVESTIGATIONS FOR A PERIOD OF 36 MONTHS.

- 1 **The closing date for the submission of proposals/bid documents is 2 December 2025 @ 11:00. No late applications/bid documents will be considered. All bids must please be placed in the in the Tender Box at the main entrance of the building.**
- 2 It is compulsory that an original proposal/bid documents together with a soft copy of the original proposal/ bid document in a **USB**, to be **handed in before the closing date of the bid.**
- 3 You are invited to bid for the services as specified in the attached forms.
- 3.1 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD3.3, SBD4, SBD6.1 as well as any other conditions accompanying this request are applicable.

4. NATIONAL TREASURY CIRCULAR NO 3 OF 2015/2016

- 4.1 From 1 April 2016, institutions/departments may not award any bid to a supplier who is not registered on the Centralised Supplier Database (CSD).

5. Compulsory: Please attach a most recent copy of the **CSD** registration report.

6. Briefing Session

Please forward your email to tendersenquiries@dhs.gov.za on/before the end of business day of the 11 November 2025.

Venue: MS TEAMS

Date: 13 November 2025

Time: 10:00

SUPPLY CHAIN MANAGEMENT
DIRECTOR: SUPPLY CHAIN MANAGEMENT: PROCUREMENT
for DIRECTOR-GENERAL
DATE: 3/11/2025

Kgoro ya tsa Madulo * Lefapha la Bodulo * Lefapha la tsa Manno * Umnyango Wezindawo Zokuhlala * Isebe leeNdawo zokuHlala
* Litiko Letekwakhela Luntfu* Mensilike Nedersettings * UmNyango weeNdawo zokuHlala * Muhasho wa zwa Vhudzulo * Ndzavulo ya swa Vutshamo

Breaking new ground in housing delivery - Houses, Security & Comfort

THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER: VA49/01-2025/26

DESCRIPTION: PROFESSIONAL SERVICES

CLOSING DATE: 2 DECEMBER 2025

CHECK LIST TO BE COMPLETED BY THE BIDDER:

<u>Table of Contents:</u>	<u>Yes:</u>	<u>No:</u>
Terms of Reference		
SBD1 Invitation To Bid		
SBD3.3 Pricing Schedule		
SBD 4 Declaration of Interest		
SBD 6.1 Preference Point: Purchases		
General Conditions of Contract		
<u>Supporting Documents:</u>		
Company Profile		
ID Copies of Directors (certified)		
Certificate issued by Registrar of Companies & Close Corporation, issued by CIPRO.		
Compulsory: Please attach a copy of CSD registration report (not later than a month).		

BIDDER NAME IN FULL: _____

SIGNATURE: _____

CAPACITY: _____ **DATE:** _____

Bid invitation check list: Compiled: MR MC CAMAGU



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1. INTRODUCTION

- 1.1. Section 38(1)(a)(i) and (ii) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999), requires the Accounting Officer to ensure that the Department has and maintains an effective, efficient, and transparent system of financial and risk management, internal control, and an internal audit function under the control and direction of an Audit Committee.
- 1.2. Furthermore, Section 3.2.1 of the Treasury Regulations 2005 stipulates that:
 - The Accounting Officer must ensure that a risk assessment is conducted regularly to identify emerging risks within the institution;
 - The risk management strategy, which must include a fraud prevention plan, should guide internal audit priorities and inform the skills required by managers and staff to strengthen controls and effectively manage risks; and
 - The strategy must be clearly communicated to all officials to ensure that risk management principles are embedded in the culture and operations of the institution.
- 1.3. The 2020–2030 Public Service Anti-Corruption Strategy (PSACS), developed by the Department of Public Service and Administration (DPSA), calls for all government departments to establish a minimum capacity to prevent, detect, and respond to corruption and fraudulent activities.
- 1.4. Paragraph 4.2.1 of the PSACS further emphasises that departments must foster a minimum capacity to fight corruption and establish mechanisms to coordinate the various government entities involved in anti-corruption initiatives.
- 1.5. The Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004), strengthens measures for the prevention and combating of corruption and related offences, and places specific obligations on institutions and individuals to report corrupt activities.

2. BACKGROUND

- 2.1. The Department of Human Settlements (DHS) has an Internal Audit Directorate in compliance with the requirements of the Public Finance Management Act (PFMA), 1999 and the Treasury Regulations, 2005. The Directorate functionally reports to the Audit Committee and administratively to the Accounting Officer.

- 2.2. The mandate of the Directorate: Internal Audit is to provide independent assurance and consulting services to the Department on the adequacy, effectiveness, and efficiency of systems of internal control, risk management and governance processes with the objective of supporting the Department in achieving its strategic goals and objectives.
- 2.3. The Department also has a Directorate: Risk and Integrity Management, which reports directly to the Accounting Officer and the Risk Management Committee (RMC). This Directorate:
- Provides enterprise risk management services.
 - Develops and maintains anti-corruption and fraud prevention systems.
 - Conducts and coordinates human settlements related investigations.

3. PROBLEM STATEMENT

- 3.1. The Department has experienced capacity constraints, particularly in specialised areas within the Internal Audit and Risk & Integrity Management Directorates. These constraints have adversely affected the ability of the units to execute their mandates effectively.
- 3.2. To address this limitation, the Department resolved to establish panels of pre-approved service providers to support the Internal Audit and Risk & Integrity Management functions.
- 3.3. The establishment of these panels recognises the critical role played by both units in promoting good governance, ethical conduct, and accountability across the Department and the Sector.

4. SCOPE OF WORK

- 4.1 The successful bidders appointed to the panel will be expected to provide **internal audit, risk management, and forensic investigation** services within the Department and the Sector as outlined below.

4.1.1 Internal Audit Services

The appointed service providers will be required to perform a range of internal audit assignments as determined by the Department, including but not limited to:

- a. Information Technology Audits (General Controls Reviews, Application Controls Reviews)
- b. Performance / Operational Audits (assessing economy, efficiency, and effectiveness of resources);
- c. Audit of Performance Information/ Predetermined Objectives
- d. Financial Audits (including reviews of financial controls, policies, procedures, and interim or annual financial statements);
- e. Compliance Audits (laws, regulations, policies, and procedures);
- f. Quality Assurance Reviews (in line with IIA standards and periodic self-assessments);
- g. Governance Audits
- h. Continuous auditing, Data Analytics Reviews

- i. Ad-hoc and consulting projects as requested by management or the Audit Committee; and
- j. Coordination and facilitation of Combined Assurance activities.

4.1.2 Risk Management Services

The appointed service providers will support the Directorate: Risk and Integrity Management in implementing risk management processes through the following services (amongst others):

- a. Conduct an organisational risk assessment, and produce risk assessment reports and risk registers
 - b. Monitoring of risks and update monitoring tools
 - c. Review and revise the Enterprise Risk Management documents,
 - d. Evaluate and recommend on the effectiveness of the functioning of the Risk Champions Forum (RCF) and Risk Management Committee (RMC)
 - e. Evaluate and recommend on the effectiveness of the functioning of the Risk Management Committee (RMC).
 - f. Provide daily implementation and support of various risk management processes for the duration of the contract.
 - g. Conduct training and monthly risk awareness in the Department for management and all other employees.
 - h. Perform Directorate duties including RCF and RMC.
 - i. Monitoring of Key Risk Indicators (KRIs)
 - j. Monitoring of Business Units Incident Registers
 - k. Contribute and participate in combined assurance processes
 - l. Prepare reports to Governance structures (RCF, EMT, RMC, AC, IC, etc)
 - m. Facilitate and coordinate Ethics Matters.
 - n. Setting ethical standards: Developing and implementing a code of ethics
 - o. Facilitate Business Continuity Management processes
- Executing any other related tasks as directed by management.

4.1.3 Forensic Investigation Services:

The appointed service provider will undertake the following work as and when case(s) are allocated to them for investigation:

- a. Report on the factual findings and advise the National Department of Human Settlements [DHS] of the recommended intervention and/ or course of action relating to strengthening of controls to prevent the recurrence of alleged or suspected fraud and corruption.
- b. Assist the Department to register criminal case(s) with the South African Police Service (SAPS) and provide technical support (to the SAPS) with criminal investigations, where necessary or required.
- c. Cooperate and/ or work in collaboration with other government law enforcement agencies, including but not limited to the Asset Forfeiture Unit (AFU); Directorate for Priority Investigations (HAWKS); National Prosecuting Authority (NPA); Special Investigating Unit (SIU) and State Security Agency (SSA), where necessary or required.
- d. Provide expert testimony, at criminal trials and other judicial processes/ forums, on behalf of the DHS
- e. Identify and report losses for the institution of recovery.

- f. Assist the DHS in recovering losses incurred/ suffered as a consequence to the committed fraud and/ or corruption.
- g. Assist the DHS in instituting progressive corrective measures, in line with the public service framework, against employees who are found guilty of misconduct or a criminal offence.
- h. Assist the DHS in eradicating its case investigation backlog.
- i. As part of detection services conduct lifestyle reviews, lifestyle investigations and lifestyle audits according to and not limited to DPSA guidelines.
- j. Conduct Fraud Risk Assessment and Ethics Risk Assessment
- k. Prevention services through conducting and facilitating fraud risk assessments and Producing Departmental fraud risk register profiles as well as conducting ethics risk assessments through ethics surveys.
- l. Provide disciplinary support through preparations and testifying at disciplinary hearings.
- m. Assist with adhoc projects, other rendered services as requested by the management and governance structures.
- n. Review the cases reported via the National Anti-Corruption Hotline/ management or whistle-blower(s).
- o. Conduct assessments on the merit of the complaints.
- p. Gather necessary supporting documents for each case, conduct a detailed investigation on each case allocated
- q. Identify all relevant non-compliance risks during the investigation
- r. Use of forensic tools and or data analytics to assist in identifying possible fraud trends in the department;
- s. Submit a detailed forensic final investigation report with findings, and recommendations based on conclusions reached and all necessary supporting documents to the Department, after the completion of the investigation
- t. Ensure that all records are kept and managed properly, including documents, evidence etc.
- u. Maintain case files in a proper manner, bearing in mind that criminal processes could be initiated in respect of cases.
- v. Provide the Department with electronic copies of all draft and final investigation reports including a hard copy per specific matter investigated
- w. Submit the final electronic version and hard copy of the Project Close-out report encompassing all matters investigated after the completion of the project.
- x. The service provider will be required to provide regular progress reports during the investigation. The timing of said progress reports will depend on the duration of the investigation and will be determined by the Department.
- y. The service provider is expected to produce a skills transfer plan on how skills will be transferred to all the staff members.

4.2 Operational Arrangements

- 4.2.1 The successful bidder will work closely with the Director: Risk and Integrity Management on the planning and pre-screening of all investigation phases and must submit regular progress reports to the Accounting Officer and the Audit Committee. All progress reports (with supporting documents) will be reviewed by the Director Risk & Integrity Management

- 4.2.2 The Chief Audit Executive (Director: Internal Audit) or their delegate will facilitate and coordinate all projects performed by the service providers.
- 4.2.3 All intellectual property, including audit and investigation reports, plans, and supporting documentation, will remain the property of the Department of Human Settlements.
- 4.2.4 All information obtained from DHS or through forensic activities shall be treated as classified information in accordance with the Minimum Information Security Standards (MISS) policy.
- 4.2.5 The above list of services is not exhaustive. The Department invites bidders to detail their full suite of capabilities and can indicate in their proposal any additional, relevant services they can provide to strengthen the Department's combined assurance model.

5. DELIVERABLES

PHASE	ACTIVITIES	DELIVERABLES	TIMEFRAME
Internal Audit			
1	Engagement Planning	<u>Information System and General/Regularity Audit</u> Engagement Letter; Minutes of opening meeting; Resource allocations Budget approval; Pre-survey / Questionnaire; Declaration of Interest; System Description; walkthrough; Risk and Control Matrix; Audit Program. <u>Performance Audit:</u> Preliminary Assessment/Survey, Determination of focus area, Identification of symptoms, Performance audit criteria, Engagement scope, Engagement resource allocation, Engagement work programme	As signed per engagement agreement
2	Engagement Execution:	Working Paper and Appendices of Working Paper; Client Satisfaction Survey; Minutes of Closing meeting. Evidence gathering, Identification of new symptoms, Testing the engagement work programme (audit criteria), Documenting the results/findings	As signed per engagement agreement
3	Engagement Reporting:	Draft and Final Internal Audit reports with recommendation, management comments, action plan and implementation date, Project close-out meeting	As signed per engagement agreement
4	Engagement working papers	Complete and signed off working papers which meet the International Standards for the	As signed per

PHASE	ACTIVITIES	DELIVERABLES	TIMEFRAME
		Professional Practice of Internal Auditing (Standards).	engagement agreement
Risk Management			
1.	Develop & Submit Project Plan	Develop and provide a Step-By-Step Project Plan with deliverable time frames.	Yearly
2.	Improve Organisational Risk Culture and Risk Maturity	Implement the improvement plan to close gaps and resolve challenges in the DHS using any risk model to improve culture maturity levels	Monthly, Quarterly & yearly
3.	Facilitate and coordinate Ethics Matters.	Setting ethical standards: Developing and implementing a code of ethics	Monthly, Quarterly & yearly
4.	Conduct organisational risk assessment,	Conduct risk assessment taking into consideration the following but not limited to others; • Environmental Scanning with internal and external stakeholder engagements • and produce risk assessment reports and risk registers	Yearly and when necessary
5.	Provide daily implementation and support of various risk management processes for duration of the contract	For duration of the contract term: • Timeously update and submit Risk Registers with complete, relevant accurate emerging risk information • Compile and update a database of risk incidents/ events • Constantly communicating with Business Unit • Analyse, review risk monitoring tools and provide necessary reports. • Compile and submit Monthly and Quarterly Risk Management Reports to RCF, Executive Management, Risk Management Committee and Audit Committee	Monthly, Quarterly & yearly
Forensic Investigators			
1	Develop & Submit Project Plan	Develop and provide a Step-By-Step Project Plan with deliverable time frames.	Yearly

PHASE	ACTIVITIES	DELIVERABLES	TIMEFRAME
2	Preliminary Investigation	Submit a report on the preliminary investigation with recommendation for further investigation.	Monthly
3	Draft and final reports	Report on the factual findings and advice the DHS of the recommended intervention and/ or course of action relating to strengthening of controls to prevent the recurring of alleged or suspected fraud and corruption	Monthly, Quarterly and Yearly

6. QUALITY ASSURANCE REVIEWS OF THE WORK

- 6.1 All Internal Audit Assignments must be performed in accordance with the Global Internal Audit Standards (formerly known as the International Standards for the Professional Practice of Internal Auditing). Compliance with these standards will be periodically evaluated through internal reviews and external Quality Assurance Reviews (QAR) undertaken by the Department. Adherence to these standards is mandatory for all work executed under this engagement.
- 6.2 Risk Management Assignments must be conducted in line with recognised professional standards and best practices.
- 6.3 Forensic Investigations must be executed in accordance with relevant professional investigation standards, including those issued by the Association of Certified Fraud Examiners (ACFE), the Institute of Internal Auditors (IIA), and applicable legislative and regulatory requirements governing forensic services in the public sector.

7. REQUIRED EXPERTISE AND SKILLS

- 7.1 The successful bidders must demonstrate the following technical expertise and professional competencies:
 - a) Internal Audit expertise
 - a) Information System or Technology Auditing skills expertise
 - b) Data Analytics, Data Mining skills expertise
 - c) Artificial Intelligence (AI) expertise
 - d) Performance Auditing and Auditing of Performance Information (Pre-determined objectives) expertise
 - e) Forensic investigations/ auditing expertise
 - f) Risk Management expertise
 - g) Business Continuity Management expertise
 - h) Ethics Management expertise

8. PERFORMANCE MANAGEMENT

- 8.1 The appointed service providers will report directly to the Director: Internal Audit (Chief Audit Executive) and the Director: Risk and Integrity Management (Chief Risk Officer), who will serve as the Project Senior Managers.
- 8.2 Performance will be monitored and evaluated by the Project Senior Managers in line with the Service Level Agreement (SLA) entered into between the Department and the successful bidder.

9. BID SUBMISSION REQUIREMENTS

- 9.1 Bidders must submit a **comprehensive bid response pack** delivered to the **physical or postal address** indicated on the “Invitation to Bid” cover page, before or on the stipulated closing date and time.
- 9.2 The bidder has to submit a bid response documentation pack and it must be delivered at the correct physical or postal address and within the stipulated date and time as specified in the “Invitation to Bid” cover page, and the bidders are expected to submit the following:
- **Batch 1:** Technical Proposal
- 9.3 The following submission format applies:
- One (1) **original** document of technical proposal
 - One (1) **electronic copy** (USB) containing the technical proposal
- 9.4 **Bidders must clearly indicate the specific service category or categories for which they are submitting by marking the appropriate box(es) below. A bidder may apply for one, two, or all three categories, but must submit a separate and complete technical proposal for each category. Bids that fail to specify the applied category will be deemed non-responsive.**

SERVICE CATEGORY	PLEASE MARK (X) THE CATEGORY YOU ARE APPLYING FOR
Category 1: Internal Audit Services	[]
Category 2: Risk Management Services	[]
Category 3: Forensic Investigation Services	[]

Note: Bidders applying for multiple categories must submit a separate, fully compliant proposal For each category.

10. PRICE PROPOSAL/COSTING TEMPLATE

10.1 Bidders must ensure that all proposed fees and rates are aligned with the Auditor-General of South Africa (AGSA) prescribed rates, as per the most recent AGSA Circular: Guide on fees for audits and audit-related services performed by Auditors in Private Practice.

11. BID EVALUATION PROCESS

The following evaluation process will be followed:

- a) An evaluation panel will be established by the department will conduct the assessment of all bid submissions.
- b) Bids will be evaluated strictly according to the bid criteria and weightings set out below.
- c) The evaluation will be conducted in accordance with the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Preferential Procurement Regulations, 2022, applying the 80/20-preference point system (80 points for price, 20 points for Specific Goals).
- d) The evaluation process will consist of **two distinct phases**, as outlined below.

12. BID EVALUATION STAGES

The bid evaluation process will consist of the following stages, applicable to the nature of this bid:

Phases	Bid Evaluation criteria description	Applicable for this bid
Phase 1	Administrative Pre-qualification requirements	YES
Phase 2	Evaluation on functionality	YES

N.B The bidder must qualify for each stage to be eligible to proceed to the next stage of the evaluation.

PHASE 1: ADMINISTRATIVE PRE-QUALIFICATION REQUIREMENTS

The bidder **must comply** with ALL of the bid pre-qualification requirements in order for the bid to be accepted for evaluation.

If the Bidder failed to comply with any of the administrative pre-qualification requirements, or if the department is unable to verify whether the pre-qualification requirements are met, then department reserves the right to –

- (a) Reject the bid and not evaluate it, or
- (b) Accept the bid for evaluation, on condition that the Bidder must submit within 7 (seven) days any supplementary information to achieve full compliance, provided that the supplementary information is administrative and not substantive in nature.

- (c) All bids will be measured against the administrative pre-qualification requirements. Only bids that comply with the criteria mentioned below will be considered for further evaluation.
- (d) The Service providers must be registered with the Central Supplier Database (please attach a recent (CSD) report /proof with the company's unique number and M number);
- (e) Provide a Tax Compliance status- Pin issued by SARS.
- (f) Completed and Signed Standard Bidding Documents (SBD forms)

NB: a) In addition to the requirements listed above, the service provider will be processing personal information on behalf of the DHS, as a result the service provider needs to demonstrate that it complies with the Protection of Personal Information Act, 4 of 2013 ("POPIA").

b) The service provider must complete the Operator Checklist and provide all necessary information, which will then be assessed by the DHS. The appointment of the service provider is conditional upon demonstrating compliance with POPIA.

NB: Please note that failure to provide any of the above requirements within seven (7) days before award will lead to automatic disqualification of the service provider's bid proposal.

PHASE 2: EVALUATION ON FUNCTIONALITY

- a. An evaluation panel will be established by the department, made up of members of the Bid Evaluation Committee. Bids will be evaluated strictly according to the bid evaluation criteria set out below.
- b. A minimum threshold of **70%** for the technical elements must be scored; otherwise, the bid will be regarded as non-responsive and be disqualified. Bids that do not meet or better the technical threshold score of **70 %** will not be evaluated further.
- c. Each Service provider's technical proposal will be evaluated as per the criteria below in respect to the evaluation matrix, prospective service bidders will be rated according to the scoring guide. In order to ensure meaningful participation and effective comparison, bidders are requested to furnish detailed information in substantiation of compliance to the evaluation criteria

12.1 The 80/20 principle will be applicable to this bid.

A. Internal Audit Evaluation

Technical scorecard:					
Criteria	Sub-Criteria		Scoring guide	Highest Possible Score [Maximum]	Weight
Relevant qualification	<u>Qualifications:</u>	Partners, Directors	National Diploma [NQF 6] (points 2)	10	35

Technical scorecard:				
Criteria	Sub-Criteria	Scoring guide	Highest Possible Score [Maximum]	Weight
of the team members Provide CVs with certified copies of certificates, not older than 3 months All foreign qualifications certified with SAQA		• Bachelor's Degree [NQF 7] (Points 4) • Post Graduate Diploma/ Honors [NQF 8] (points 7) • Masters Qualifications [NQF 9] (points 10) • None of the above (0 points)		
	<u>Qualifications:</u> Senior Managers, Managers	• National Diploma [NQF 6] (points 2) • Bachelor's Degree [NQF 7] (Points 4) • Post Graduate Diploma/ Honors [NQF 8] (points 7) • Masters Qualifications [NQF 9] (points 10) • None of the above (0 points)	10	
	<u>Qualifications:</u> Consultants, Senior Consultant	• National Diploma [NQF 6] (points 1) • Bachelor's Degree [NQF 7] (Points 2) • Post Graduate Diploma/ Honors [NQF 8] (points 3) • Masters Qualifications [NQF 9] (points 5) • None of the above (0 points)	5	
	Active Professional certification of the team members (CIA/CISA/CA (SA)/CFE	• None – points 0 • 1-3 Personnel (Points 2) • 4-5 Personnel (Points 5) • 6-10 Personnel (Points 8) • 11+ Personnel (Points 10)	10	
Level of experience and expertise [Refer Annexure B]	Appropriate Experience of the Partners (Partners/ Directors)	• 3 - 5 years (points = 2) • 6 - 7 years (points = 4) • 8 - 9 years (points = 6) • 10 - 11 years (points = 8) • 12+ years (points = 10))	10	

Technical scorecard:				
Criteria	Sub-Criteria	Scoring guide	Highest Possible Score [Maximum]	Weight
	Appropriate Experience of the Senior Managers/Managers	• 1-3 years (points 2) • 4-5 years (points 4) • 6-7 years (points 6) • 8-9 years (points 8) • 10+ years (points 10)	10	45
	Appropriate Experience of the staff (Consultants, senior Consultant etc.)	• 1-3 years (points 1) • 4-5 years (points 2) • 6-7 years (points 3) • 8-9 years (points 4) • 10+ years (points 5)	5	
	Relevant expertise of the team in specialised area (Performance Audit, Information Technology, Data Analytics etc.)	• None of the expertise (points 0) • One of the expertise Performance Audit or Information Technology/ data analytics (points 5) • Performance Audit and Information Technology or data analytics (points 7) • All expertise Performance Audit, Information Technology audits and Data Analytics (Points 10)	10	
	A track record of company in the provision internal audit services preferable in public sector (Reference letters in be on the client's letterhead, signed by relevant officials, dated, with contactable details (email/phone numbers), Have the company logo.	• 1-2 projects (points 2) • 3-4 projects (points 4) • 5-6 projects (points 6) • 7-8 projects (points 8) • 9-10 projects (points 10)	10	
Methodology to be used to execute the assignments	Detailed explanation of methodology and process to be adopted to fulfil the assignments, particularly: • Information System methodology	• Methodology not documented (points 0) • Methodology documented but the step-by-step explanation of the process is not clear and	20	20

Technical scorecard:				
Criteria	Sub-Criteria	Scoring guide	Highest Possible Score [Maximum]	Weight
	- Performance Audit methodology - Regulatory/ Assurance Audit	- covers some of the areas (points 5) - Methodology documented clearly indicate step-by-step explanation of the process and covers not all of the areas (points 10) - Methodology documented clearly indicate step-by-step explanation of the process, covers two of the areas (points 15) - Methodology documented clearly indicate step-by-step explanation of the process and covers all the areas and also very detailed. (points 20)		
Total technical score			100	
Minimum threshold for technical proposal			70	

B. Risk Management Evaluation

Technical scorecard:				
Criteria	Sub- criteria	Scoring Guide	Highest Possible Score [Maximum]	Weight
Relevant qualification of the team members Provide CVs with certified	<u>Qualifications:</u> Partners, Directors	- National Diploma [NQF 6] (points = 3) - Bachelor's Degree [NQF 7] (points = 5) - Honors Degree [NQF 8] (points = 8) - Master's Degree [NQF 9] (points = 10) - None of the above (0 points)	10	25

Technical scorecard:				
Criteria	Sub- criteria	Scoring Guide	Highest Possible Score [Maximum]	Weight
copies of certificates, not older than 3 months All foreign qualifications are certified with SAQA	Qualifications: Senior Managers, Managers	- National Diploma [NQF 6] (points = 3) - Bachelor's Degree [NQF 7] (points = 5) - Honors Degree [NQF 8] (points = 8) - Master's Degree [NQF 9] (points = 10) - None of the above (0 points)	10	10
	Qualifications: Risk Practitioners	- National Diploma [NQF 6] (points = 2) - Bachelor's Degree [NQF 7] (points = 3) - Honors Degree [NQF 8] (points = 4) - Master's Degree [NQF 9] (points = 5) - None of the above (0 points)	5	
	Active Professional Certification in Risk Management (e.g Certified RM Practitioner, RM Professional, CRMA.	- None – points 0 1-3 Personnel (Points 2) 4-5 Personnel (Points 5) 6-10 Personnel (Points 8) 11+ Personnel (Points 10) - None of the above (0 points)	10	
Skills, Knowledge and Competencies of the team.	Experience in Risk Management by Partners/Directors	3 - 5 years (points = 2) 6 - 7 years (points = 4) 8 - 9 years (points = 6) 10 - 11 years (points = 8) 12+ years (points = 10)	10	25
	Experience in Risk Management by Senior Managers and Manager	1-3 years (points 2) 4-5 years (points 4) 6-7 years (points 6) 8-9 years (points 8) 10+ years (points 10)	10	
	Experience in Risk Management by Risk Practitioners	1-3 years (points 1) 4-5 years (points 2) 6-7 years (points 3) 8-9 years (points 4) 10+ years (points 5)	5	

Technical scorecard:				
Criteria	Sub- criteria	Scoring Guide	Highest Possible Score [Maximum]	Weight
Level of experience and expertise [Refer Annexure B]	A track record of company in the provision risk management processes preferable in public sector (Reference letters in be on the client's letterhead, signed by relevant officials, dated, with contactable details (email/phone numbers), Have the company logo.	• 1-2 projects (points =3) • 3-5 projects (points = 6) • 6-7 projects (points = 9) • 8-9 projects (points =12) • 10+ projects (points= 15)	15	15
Methodology to be used to execute the assignments	Understanding the scope of work including the methodology and process to be adopted to fulfil the assignment within timeframe	• No methodology =0 points • Methodology included but very brief, not detailing processes to be followed= 5 points • Complete methodology, with clear processes to be followed and sequence of events aligned = 10 points • Complete methodology with clear processes to be followed with aligned sequence of events and demonstrable approach on how deliverables will be achieved =10 points for detailed and complete methodology with aligned sequence of events +5 points for approach on achieving deliverables = 15 • Complete and innovative value adding methodology that enables achievement of objectives at the functional, tactical,	25	25

Technical scorecard:				
Criteria	Sub- criteria	Scoring Guide	Highest Possible Score [Maximum]	Weight
		strategic and sector wide at large with processes to be followed, aligned sequence of events and demonstrable approach on how deliverables will be achieved = 15 points for complete and clear methodology with aligned sequence of events + 5 points for approach on achieving deliverables and additional 5 points for innovations that add value to the organisation at large = 25 points		
Total technical score			100	
Minimum threshold for technical proposal			70	

C. Forensic Investigations Evaluation

CRITERIA	SUB-CRITERIA	Scoring Scale	Score	Weight
Relevant qualification of the team members Provide CVs with certified copies of certificates, not older than 3 months All foreign qualifications are certified with SAQA	<u>Qualifications:</u> Partners, Directors	- National Diploma [NQF 6] (points = 3) - Bachelor's Degree [NQF 7] (points = 5) - Honors Degree [NQF 8] (points = 8) - Master's Degree [NQF 9] (points = 10) - None of the above (0 points)	10	35
	<u>Qualifications:</u> Senior Managers, Managers	- National Diploma [NQF 6] (points = 3) - Bachelor's Degree [NQF 7] (points = 5) - Honors Degree [NQF 8] (points = 8) - Master's Degree [NQF 9] (points = 10) - None of the above (0 points)	10	

CRITERIA	SUB-CRITERIA	Scoring Scale	Score	Weight
	<u>Qualifications:</u> Investigators	- National Diploma [NQF 6] (points = 2) - Bachelor's Degree [NQF 7] (points = 3) - Honors Degree [NQF 8] (points = 4) - Master's Degree [NQF 9] (points = 5) - None of the above (0 points)	5	
	Active Professional certification of the team members e.g CFE, CFP	- None – points = 0 1 - 3 Personnel (Points = 2) 4 - 5 Personnel (Points = 5) 6-10 Personnel (Points = 8) 11+ Personnel (Points = 10)	10	
Level of experience and expertise [Refer Annexure B]	Relevant expertise of the proposed team in the following area; - Forensic Investigation/ forensic audit; - Criminal investigations; - Civil and criminal proceedings; - Cybercrime investigation.	- None of the expertise (points 0) - One of the expertise (points 3) - Two of the expertise (points 5) - Three of the expertise (Points 8) - All the expertise (Points 10)	10	45
	Appropriate Experience of the Partners (Partners/ Directors)	3 - 5 years (points = 2) 6 - 7 years (points = 4) 8 - 9 years (points = 6) 10 - 11 years (points = 8) 12+ years (points = 10)	10	
	Appropriate Experience of the Senior Managers/Managers	1 - 3 years (points = 2) 4 - 5 years (points = 4) 6 - 7 years (points = 6) 8 - 10 years (points = 8) 11+ years (points = 10)	10	
	Appropriate Experience of the staff (senior investigators, investigators etc.)	1 - 3 years (points = 2) 4 - 5 years (points = 4) 6 - 7 years (points = 6) 8 - 10 years (points = 8) 11+ years (points = 10)	5	
	A certified track record of successful and timely performance of similar assignments, with	1-3 projects (points 3) 4-5 projects (points 6) 6-7 projects (points 9) 8-9 projects (points 12)	10	

CRITERIA	SUB-CRITERIA	Scoring Scale	Score	Weight
	credible and verifiable references preferable in public sector. (Reference letters in be on the client's letterhead, signed by relevant officials, dated, with contactable details (email/phone numbers), Have the company logo.	• 10+ projects (points 15)		
Infrastructural capacity available to fulfil the assignment	• Investigating Tools and systems (data analytics, imaging, intelligence, Network Scanning, SQL etc.)	No – (points 0) Yes – (points 5)	5	20
	Detailed explanation of methodology and process to be adopted to fulfil the assignment, particularly: • Project Management (project planning, execution, reporting, timesheets, adhering to project deadlines, and being innovative) [PM]; • Technical ((Ability to use software technologies, use data analysis tool and extract data, etc) & Analytical (Examine data or information [TA]; • Transfer of Skills [TS];	Non-Compliance (points 0) (points 5) (points 5) (points 5)	15	
Total technical score			100	
Minimum threshold for technical proposal			70	

NB:

- All Service providers with a score less than 70 out of 100 on functionality will not be considered for the pricing evaluation.
- In the event that the project lead/engagement manager leaves the employ of the service provider (for whatever reason) they have to be replaced by a project lead/engagement satisfying the respective listed skills.

- All bidders submitting qualifications obtained outside the country must ensure that such qualifications are duly evaluated and verified by South African Qualification Authority (SAQA) and proof of recognition must be included in the bid submission. The department reserves the right to verify the authenticity and relevance of all foreign qualifications submitted.

13. COST AND PRICING

(Pricing will only be applicable during issuance of the Request for Quotation (RFQ) once a panel of service providers has been appointed.)

- 13.1 The service provider will be requested to provide a quoted proposal regarding the work to be undertaken.
- 13.1.1 Service provider will be required to indicate a ceiling price based on the total estimated time for completion of all activities and including all expenses. The total cost must be VAT inclusive and should be quoted in South African Rands (i.e. ZAR).
- 13.1.2 The service provider should provide hourly rates as prescribed guide on fees for audits and audit related services performed by Auditors in Private Practice on behalf of the Auditor-General of South Africa.
- 13.1.3 The service provider should provide (Subsistence & Travel (S&T)) rates that are in aligned to the National Treasury instruction note as follows:
- i Hotel Accommodation –per night per person, including breakfast, dinner and parking.
 - ii Air travel must be restricted to economy class.
 - iii Claims for kilometres may not exceed the rates approved by the Automobile Association of South Africa issued by Department of Transport.
- 13.2 The subsistence and travelling cost (Outside Gauteng) as stated in paragraph 13.1.3 above will be incurred by the Department in line with departmental transport policy.

14. ASSIGNMENT OF WORK/ROTATION

- 14.1 The allocation of work will be done in the form of an Request for Quotation (RFQ), where members of the panel will be sent a project specification. The service providers appointed in the panel will be allocated work, based on their submitted quotation, where preferable the highest-scoring bidder will be awarded to undertake the work.
- 14.2 Allocation of more than one (01) contract will depend on the bidder's performance and capacity requirements (key personnel required for the successful completion of the project). Bidders might be requested to prove the availability of these requirements before project allocation. Failure for the bidders to prove the availability of requirements might result in the contract being allocated to the second ranked supplier.

14.3 The Department will use rotation system for the allocation of work, where a bidder will be requested to respond to the RFQ with the formal price quotation. A Service providers should have the ability to work under pressure and have capacity to respond to RFQs.

14.4 Being part of the panel does not guarantee any work.

14.5 The Department if required will evaluate the performance of the bidding firm regularly; poor performance will result in the cancellation of work orders and removal from the panel.

15. RULES OF BIDDING/SPECIAL CONDITIONS OF CONTRACT

- a) The DHS will enter into a single contract with a single company for the delivery of the work set out in these terms of reference.
- b) All intellectual property including reports, supporting documentation, and working papers will become the property of the Department.
- c) Valid Tax Compliance status- Pin issued by SARS must be submitted by all South African companies submitting bids as part of a consortium or joint venture.
- d) Foreign company providing proposals must become familiar with local conditions and laws, and take them into account in preparing their proposals.
- e) Bids must be submitted in South African Rands.
- f) The cost of preparing bids and of negotiating the contract will not be reimbursed.
- g) The DHS is not bound to accept any of the bids submitted.
- h) The DHS reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference.
- i) The DHS reserves the right to call interviews with short-listed bidders before final selection.
- j) The DHS reserves the right to negotiate price with the preferred bidder.
- k) Company may ask for clarification on these terms of reference up to close of business 48 hours before the deadline for the submission of bids. Any request for clarification must be submitted in writing by email and will be replied to in writing by email:
- l) The DHS reserves the right to return late bid submissions unopened.
- m) The DHS reserves the right not to evaluate bids that are not submitted in the format specified in these terms of reference. Failure to submit the bids in the specified format may invalidate your bid.
- n) The service provider will be required to sign a Nondisclosure agreement regarding the protection of DHS Personal information that is in the department.
- o) A company may not contact the DHS or any member of the bid committees, on any matter pertaining to their bid from the time when bids are submitted to the time the consultant contract is awarded. Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any matter may result in rejection of the bid concerned.
- p) The deadline for submission of bids is 11h00 on the 2 December 2025
- q) The required service must commence one week after the official order has been placed and contract signed.
- r) No incomplete tenders, late tenders and tenders received telegraphically or per facsimile shall be accepted.
- s) The personnel of the civil company shall adhere to security regulations of the DHS. This entails issues like locking all valuables and computer equipment, removal of any computer equipment from the Department's premises.

- t) A two-envelope system must be used, with one envelope containing only the price proposal and the other envelope containing the technical proposal, tax Tax Compliance status- Pin, and all other tender documents.

Bids must be submitted by hand to:

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 260 JUSTICE MOHAMED STREET, GOVAN MBEKI BUILDING PRETORIA, 0001

u) **Bids must be clearly marked:**

- I. Bid Number: BID VA49/01-2025/26
- II. Service provider
- III. National Department of Human Settlements; Directorate: Supply Chain Management
- IV. Attention: Demand and Acquisitions

16. GENERAL CONDITIONS OF CONTRACT

16.1 The general conditions of contract as enclosed in the standard bidding documents apply.

17. BRIEFING SESSION

17.1 Prospective service providers will be invited to a briefing session which will not be compulsory. Prospective bidders may send their questions/queries to;
tendersenquiries@dhs.gov.za

NB: The cut-off time to receive enquiries is 10 days or 17 November 2025 before the closing date.

NB: The cut-off date for the DHS to respond to all questions received is 10 days or 17 November 2025 before the closing date.

NB: The department reserves the right not to appoint/award the bid to any of the service providers.

18. ENQUIRIES

tendersenquiries@dhs.gov.za

Annexure A: Summary of the work experience of the company

No	Client Name	Contact person	Contact detail	Scope of work	Project start Date and end date [Period or Year]
1	e.g. ABC Ltd	e.g. J Madame	e.g. 012 421 1000	e.g. Internal Audit services	e.g. 01/04/2010 – 31/03/2013
2	e.g. Provincial Dept. of Human Settlement	e.g. M More	e.g. 015 203 0000	e.g. risk management	
3	e.g. Human Settlements department Province	e.g. K Duma	e.g. 012 421 2000	e.g. forensic investigations	
4					
5					
6					
7					
8					
9					
10					

Annexure B: Proposed Team Members

No	Name of Individual	Qualifications	Status/position	Area of Expertise	Years relevant Experience	Membership/affiliation Body certification (e.g. CISA, CIA, CFE etc)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						

Circular - Guide on fees for audits and audit related services performed by Auditors in Private Practice on behalf of the Auditor-General of South Africa

OPERATOR COMPLIANCE CHECKLIST

The purpose of this questionnaire is to assess the level of compliance of the third parties to which the DHS appoints as Operator.

This questionnaire must be completed by the service provider and/or the DHS together with the service provider, where the service provider Processes Personal Information on behalf of the DHS or where the activities affect the protection of Personal Information of which the DHS is the Responsible Party. Please provide any additional information that is necessary for us to ascertain your level of compliance.

DEFINITIONS

Data Subject	means the person to whom Personal Information relates.
Information Officer	means the Director General, or a person delegated by him as such.
Information Regulator	means the regulator in South Africa tasked with ensuring compliance with POPIA.
Operator	means a person who processes Personal Information for the DHS in terms of a contract or mandate, without coming under the direct authority of the DHS.
Personal Information	means information relating to an identifiable, living, natural person, and where it is applicable, an identifiable, existing juristic person, including, but not limited to— (a) information relating to the race, gender, sex, pregnancy, marital status, national, ethnic or social origin, colour, sexual orientation, age, physical or mental health, well-being, disability, religion, conscience, belief, culture, language and birth of the person; (b) information relating to the education or the medical, financial, criminal or employment history of the person; (c) any identifying number, symbol, e-mail address, physical address, telephone number, location information, online identifier or other particular assignment to the person; (d) the biometric information of the person; (e) the personal opinions, views or preferences of the person; (f) correspondence sent by the person that is implicitly or explicitly of a private or confidential nature or further correspondence that would reveal the contents of the original correspondence; (g) the views or opinions of another individual about the person; and (h) the name of the person if it appears with other Personal Information relating to the person or if the disclosure of the name itself would reveal information about the person.
Processing	means the collection, receipt, recording, organization, collation, storage, updating, modification, retrieval, alteration, consultation or use of Personal Information.
Responsible Party	means a public or private body or any other person which, alone or in conjunction with others, determines the purpose of and means for processing Personal Information.
Special Personal Information	means Personal Information concerning the religious or philosophical beliefs, race or ethnic origin, trade union membership, political persuasion, health or sex life or biometric information of a Data Subject, or the criminal behaviour of a Data Subject.
Personal Information of Children	means Personal Information concerning a natural person under the age of 18 years who is not legally competent, without the assistance of a competent person, to take any action or decision in respect of any matter concerning him- or herself.



OPERATOR COMPLIANCE CHECKLIST

Company Name:			
Registration Number:			
Nature of Services:			
No	Question	Answer	Additional Information
1	Have you registered your Information Officer and, where relevant, your Deputy Information Officer with the Regulator?		If yes, please specify the Information Officer and Deputy Information Officer:
2	In the event that you have delegated the role of Information Officer or the Deputy Information Officer, is there a formal authorisation or delegation in place?		
3	Have you implemented any formal data privacy and protection policies or procedures within your organisation?		If yes, please specify the policies and procedures:
4	Have you conducted a POPIA Gap Assessment/Analysis/Personal Information Impact Assessment?		If in progress, please advise when it is expected to be completed by:
5	Do you have any Operators that provide key parts of the service to us?		If yes, please specify the company and the service:
6	Have you reviewed and compiled a list of all of your Operators?		
7	Have you entered into an Operator agreement with all your Operators?		
8	Have you implemented a ROPA (Record of Processing Activities)?		
9	Have you considered whether you are required to implement a PAIA Manual and if so, has it been implemented?		
10	Is there a process in place to identify all reasonably foreseeable internal and external risks to Personal Information?		
11	Is there a process in place to establish and maintain appropriate security safeguards against the risks identified?		If yes, please specify the security safeguards in place:
12	Is there a process in place to regularly verify that the safeguards are effectively implemented, for example, have you employed someone to conduct a security		
13	Is there a process in place to ensure that the safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards?		
14	Do you have physical access control measures to secure access to the premises where Personal Information is stored?		
15	Do you restrict access to Personal Information to trained and authorised staff members?		
16	Have you implemented a procedure to be followed in the event of a security compromise / data breach?		
17	Have you ensured that you have appropriate privacy notices in place and that they are displayed?		
18	Have you implemented a Data Subject Rights Procedure?		
19	If you are established outside the Republic of South Africa, have you appointed a representative in South Africa for the purposes of POPIA implementation?		
20	Have you developed appropriate procedures to ensure that Personal Information is accurate and up to date?		
21	Have you reviewed your direct marketing practices and amended it in line with POPIA?		
22	Have you trained your employees on POPIA and all policies and procedures that have been implemented as part of your compliance framework?		
23	Do you have a data retention policy or procedure in place that advises you how and when to retain and destroy data?		
24	Are there any transfers of Personal Information outside the Republic of South Africa?		If yes, please specify the countries and list the safeguards taken to protect data, e.g. Data Processing Agreement etc.:
25	Are cloud services used for the services you provide?		If yes, please specify where the servers for the Personal Information are located:



OPERATOR COMPLIANCE CHECKLIST

Company Name:			
Registration Number:			
Nature of Services:			
No	Question	Answer	Additional Information
1	Have you registered your Information Officer and, where relevant, your Deputy Information Officer with the Regulator?		If yes, please specify the Information Officer and Deputy Information Officer:
2	In the event that you have delegated the role of Information Officer or the Deputy Information Officer, is there a formal authorisation or delegation in place?		
3	Have you implemented any formal data privacy and protection policies or procedures within your organisation?		If yes, please specify the policies and procedures:
4	Have you conducted a POPIA Gap Assessment/Analysis/Personal Information Impact Assessment?		If in progress, please advise when it is expected to be completed by:
5	Do you have any Operators that provide key parts of the service to us?		If yes, please specify the company and the service:
6	Have you reviewed and compiled a list of all of your Operators?		
7	Have you entered into an Operator agreement with all your Operators?		
8	Have you implemented a ROPA (Record of Processing Activities)?		
9	Have you considered whether you are required to implement a PAIA Manual and if so, has it been implemented?		
10	Is there a process in place to identify all reasonably foreseeable internal and external risks to Personal Information?		
11	Is there a process in place to establish and maintain appropriate security safeguards against the risks identified?		If yes, please specify the security safeguards in place:
12	Is there a process in place to regularly verify that the safeguards are effectively implemented, for example, have you employed someone to conduct a security		
13	Is there a process in place to ensure that the safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards?		
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22	Have you trained your employees on POPIA and all policies and procedures that have been implemented as part of your compliance framework?		
23	Do you have a data retention policy or procedure in place that advises you how and when to retain and destroy data?		
24	Are there any transfers of Personal Information outside the Republic of South Africa?		If yes, please specify the countries and list the safeguards taken to protect data, e.g. Data Processing Agreement etc.:
25	Are cloud services used for the services you provide?		If yes, please specify where the servers for the Personal Information are located:

Yes

No

Not applicable

In progress

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	VA49/01-2025/26	CLOSING DATE: 2 DECEMBER 2025	11:00		
DESCRIPTION	TERMS OF REFERENCE FOR THE APPOINTMENT OF A PANEL OF INTERNAL AUDIT, A PANEL OF RISK MANAGEMENT AND A PANEL OF FORENSIC INVESTIGATIONS FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,					
DR RUTH MOMPATI BUILDING					
260 JUSTICE MAHOMED STREET,					
SUNNYSIDE, PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	tendersenquiries@dhs.gov.za		E-MAIL ADDRESS	tendersenquiries@dhs.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

...

.....

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: VA49/01-2025/26

CLOSING TIME 11:00

CLOSING DATE: 2 DECEMBER 2025

OFFER TO BE VALID FOR... 120... DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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BID VA49/01-2025/26: TERMS OF REFERENCE FOR THE APPOINTMENT OF A PANEL OF INTERNAL AUDIT, A PANEL OF RISK MANAGEMENT AND A PANEL OF FORENSIC INVESTIGATIONS FOR A PERIOD OF 36 MONTHS

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

R.....

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....
.....
.....
.....
.....

R.....
R.....
R.....
R.....
R.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE

SPENT

.....
.....
.....
.....

R..... days
R..... days
R..... days
R..... days

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

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....

..... R.....

Name of Bidder:

.....		R.....
.....		R.....

TOTAL: R.....

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

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

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

TOTAL: R.....

6. Period required for commencement with project after Acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which Adjustments will be applied for, for example consumer price index.
.....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, DR RUTH S MUMPATI, 260 JUSTICE MAHOMED STREET, SUNNYSIDE, PRETORIA

Department: THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS

E-mail address: tendersenquiries@dhs.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

E-mail address: tendersenquiries@dhs.gov.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is

adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

Note to tenderers: The tenderer must indicate how they claim points for each

preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Women		10		
Youth		08		
People with Disabilities		02		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

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

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

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

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

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- | | |
|---|---|
| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the</p> |

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

**24. Anti-dumping
and countervailing
duties and rights**

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)