



DEPARTMENT OF CORRECTIONAL SERVICES

SPECIAL CONDITIONS OF CONTRACT: BID NO HO 5/2021

APPOINTMENT OF A SERVICE PROVIDER FOR THE CLEANING SERVICES, PROVISION OF CLEANING MATERIALS AND HYGIENE SERVICES TO THE DEPARTMENT OF CORRECTIONAL SERVICES AT POYNTONS BUILDING FOR A PERIOD OF THREE YEARS (36 MONTHS). COMMENCEMENT: FROM THE DATE OF SIGNING THE CONTRACT



CONTENTS

DEPARTMENT OF CORRECTIONAL SERVICES.....	1
1. INTRODUCTION.....	3
2. CONTRACT PERIOD.....	3
3. RESPONSE FIELDS.....	3
4. DELIVERABLES.....	4
5. PRE QUALIFYING CRITERIA.....	4
6. MANDATORY CRITERIA.....	4
7. TAX MATTERS.....	5
8. VALUE ADDED TAX.....	5
9. SUBMISSION OF BIDS.....	5
10. BID EVALUATION CRITERIA.....	6
18 LATE BIDS.....	24
19 VALIDITY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES.....	24
20 PRICE AND PRICE QUALIFICATION.....	25
21 COMMUNICATION.....	25
22 COUNTER CONDITIONS.....	25
23 PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS.....	25
24 FRONTING.....	26
25 SERVICE COMPLIANCE.....	26
26 VENDOR ASSESSMENT.....	26
27 RENDERING OF SERVICES.....	27
28 CONTRACT MANAGEMENT.....	27
29 PENALTIES.....	27
30 PAYMENT.....	28
31 SETTLEMENT OF DISPUTES.....	28
32 DECLARATION OF INTEREST (SBD 4).....	28
33 BRIEFING AND SITE INSPECTION.....	29



BIDDERS WILL NOT BE ISSUED WITH THE REGISTRATION CERTIFICATE AS BRIEFING AND SITE INSPECTION IS NOT COMPULSORY.

1. INTRODUCTION

- 1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract (GCC) issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).
- 1.2 The Special Conditions of Contract (SCC) are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 1.3 These conditions form part of the bid and failure to comply therewith may invalidate the bid

2. CONTRACT PERIOD

- 2.1 The contract shall be for the period of three (3) years (thirty six (36) months) after signing of a contract.

3. RESPONSE FIELDS

- 3.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.
- 3.2 Unless specifically provided for in the bid document, no bids transmitted by telegram, facsimile or similar apparatus shall be considered.
- 3.3 The bid forms are drawn up so that certain essential information is to be furnished in a specific manner. Any additional particulars shall be furnished in the enclosed questionnaire or in a separate annexure.
- 3.4 The bid forms should not be retyped or redrafted but photocopies may be prepared and used. Additional offers may be made for any item but only on a photocopy of the page in question or on other forms obtainable from the relevant institution. Additional offers made in any other manner may be disregarded.
- 3.5 Bidders shall check the numbers of the pages and satisfy them that none are missing or duplicated. No liability shall be accepted in regard to claims arising from the fact that pages are missing or duplicated.



- 3.6 Failure on the part of the bidder to sign this bid form (SBD 1) and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and terms of reference (TOR) in all respects, may invalidate the bid.
- 3.7 The preference claim and other relevant forms, if attached, shall be completed, signed and submitted with the bid. Documentary proof as substantiation of preferences claimed and to the satisfaction of the Department, should be handed in together with the bid.
- a) Original black economic empowerment (BEE) Certificate or original certified copy of BEE certificates issued by Verification Agency accredited by SANAS (Accessible at www.SANAS.co.za/directory/bbEE.default.PHP);
- b) Sworn affidavits (original or a original certified copy thereof) in terms of Exempted Micro Enterprise (EME) / Quality Small Enterprise (QSE);

4. DELIVERABLES

- 4.1 Bidders need to submit a detailed list of deliverables as required per the terms of reference to successfully finalise the project.
- 4.2 Each deliverable need to be costed and a cost must be in line with the prices tendered for on the Pricing Schedule standard bidding document (SBD 3.3).

5. PRE QUALIFYING CRITERIA

- 5.1 The Preferential Procurement Regulations (PPR), 2017 prescribes that pre-qualifying must be used to advance designated groups. Only bids with a broad based black economic empowerment (BBBEE) level one (1) to four (4) will therefore be considered.

6. MANDATORY CRITERIA

- 6.1 Only bids complying with all requirements as stipulated in the General and Special Conditions of Contract will be regarded as acceptable.
- 6.2 The following mandatory criteria must be strictly adhered to. Non-compliance with these criteria will automatically invalidate your bid.
- 6.2.1 Bidders must ensure that their tax matters are in order for the duration of the contract by verifying their Tax Status on the Central Supplier Database (CSD). (Also see Section 7 of this document)
- 6.2.2 Bidders must be registered with the National Contract Cleaning Association (NCCA).



7. TAX MATTERS

- 7.1 It is a condition of this bid that the tax matters of the successful bidder are in order.
- 7.2 The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.
- 7.3 It is a requirement that bidder's grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 7.4 The Central Supplier Database (CSD) and the eFiling system are the approved methods of verifying tax compliance of bidders.
- 7.5 Bidder must therefore be registered on the Central Supplier Database (CSD) and provide its CSD number and TCS Pin as per SBD 1.
- 7.6 When a Consortium/ Joint Venture/ Sub-contractors are involved, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Suppliers Database.
- 7.7 **Only bidder's whose tax matters are in order during the evaluation and on award of the bid will be considered.**

8. VALUE ADDED TAX

- 8.1 All bid prices are inclusive of 15% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.
- 8.2 Failure to comply with this condition will invalidate the bid.

9. SUBMISSION OF BIDS

- 9.1 Bidders are required to submit their proposals in two envelopes.
- 9.2 **Envelope 1** marked with the name of the Bidder and titled:

“PRE-QUALIFYING, MANDATORY DOCUMENTS AND TECHNICAL PROPOSAL: APPOINTMENT OF A SERVICE PROVIDER FOR THE CLEANING SERVICES AND PROVISION OF CLEANING MATERIALS AND HYGIENE EQUIPMENT TO THE DEPARTMENT OF CORRECTIONAL SERVICES”.

- a) **Envelope 1** must contain the following:

9.2.1.1 Pre-Qualifying Criteria



- 9.2.1.1.1 Proof of BBEE Level of the bidder (Only bids with a BBEE level one 1) to four (4) will be considered). Refer to paragraph 5 above.
- 9.2.1.1.2 Attach a valid and original/ originally certified copy B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims as per SBD 6.1.
- 9.2.1.1.3 Claim Form in terms of the Preferential Procurement Regulations, 2017 (SBD 6.1).
- 9.2.1.2 **Mandatory requirements**
- 9.2.1.2.1 Bidders must be registered with the National Contract Cleaning Association (NCCA).
- 9.2.1.3 **Other bidding document**
- 9.2.1.3.1 Fully completed and signed SBD 1 (without pricing) – Invitation to bid.
- 9.2.1.3.2 Fully completed and signed SBD 4 – Declaration of Interest.
- 9.2.1.3.3 Fully completed and signed SBD 8 – Declaration of Bidder's past Supply Chain Management Practices.
- 9.2.1.3.4 Fully completed and signed SBD 9 – Certificate of Independent Bid Determination.
- 9.2.1.4 **Technical Proposal**
- 9.2.1.4.1 The bidder's response / proposal information required by all stipulations outlined in the terms of reference.

N.B. This Envelope must NOT include any price proposal.

- b) **Envelope 2** marked with the name of the Bidder and titled:

“FINANCIAL PROPOSAL: APPOINTMENT OF A SERVICE PROVIDER FOR THE CLEANING SERVICES AND PROVISION OF CLEANING MATERIALS AND HYGIENE EQUIPMENT TO THE DEPARTMENT OF CORRECTIONAL SERVICES”.

Envelope 2 must contain a **detailed SBD 3.3 Pricing Schedule (Professional services)**

10. BID EVALUATION CRITERIA

- 10.1 The following criteria will be applied during evaluation of the bid:



NO.	CRITERIA	SUB WEIGHT	WEIGHTS
1.	<p><u>EXPERIENCE</u></p> <ul style="list-style-type: none"> • The company as well as the business executives number of years within the operation, including company's business profile and the relevant curriculum vitae (CV). • Confirmation letter from the National Contract Cleaning Association (NCCA). • A minimum of three (3) contactable references in either Private or Public Sector. <p>Important: (please provide evidence: reference letters with contact details).</p>	<p>5</p> <p>5</p> <p>5</p>	<p>15</p>
2.	<p><u>PROVISION OF STAFF</u></p> <ul style="list-style-type: none"> • Full time manager • Two (2) Full time supervisors • Part time manager • Number of workers • Part time workers <p>Important: (please provide evidence: staffing list) Compliance with sectorial determination for workers in urban areas (minimum wage).</p>	<p>4</p> <p>7</p> <p>2</p> <p>7</p> <p>5</p>	<p>25</p>
3.	<p><u>TRAINING</u></p> <ul style="list-style-type: none"> • Standard training course <p>Important: (please provide evidence: list of training needs specific to cleaning).</p>	<p>15</p>	<p>15</p>
4.	<p><u>EQUIPMENT</u></p> <ul style="list-style-type: none"> • Bidders must indicate the number and the type of equipment to be used for the rendering of the service. 	<p>10</p>	<p>10</p>
5.	<p><u>INSURANCE</u></p> <ul style="list-style-type: none"> • Unemployment insurance fund. • Compensation for occupational injuries and diseases (letter of good standing from the compensation commissioner). • Public liabilities with maximum of R2 million. 	<p>5</p> <p>5</p> <p>5</p>	<p>15</p>



	<u>Important:</u> (provide valid certified copies of the certificates).		
6.	<u>WORK PLAN</u> <ul style="list-style-type: none"> Bidders must submit a detailed work plan and a proposed draft service level agreement. 	10	10
7.	<u>CONTINGENCY PLAN</u> <ul style="list-style-type: none"> Bidders must provide a contingency plan for COVID 19 including any other unnatural acts. Bidders must have a contingency plan or responsive plan for critical incidents such as health and other risks. Bidders must have a contingency plan for shortage of personnel. 	10	10
	TOTAL		100



Bidders will be expected to reach a minimum threshold score of 70% to be considered for further evaluation.



The following Scoring methodology of (0 – 5) will be utilised to allocate scores for each evaluation criteria.

EVALUATION CRITERIA	SUB WEIGHT (%)	WEIGHT	SCORES TO BE ALLOCATED
1. EXPERIENCE <ul style="list-style-type: none"> The company as well as the business executives number of years within the operation, including company's business profile and the relevant curriculum vitae (CV) of the executive team. 	5	15	Number of years of the company in cleaning business supported by the relevant CVs and company business profile Less than 1 year = 0 1 to 2 years of experience without both CVs and company business profile = 1 1 to 2 years of experience with CVs but without company business profile = 1 1 to 2 years of experience with company business profile but without CVs = 1



EVALUATION CRITERIA	SUB WEIGHT (%)	WEIGHT	SCORES TO BE ALLOCATED
			<p>1 to 2 years of experience supported by CVs and company business profile= 1</p> <p>3 to 5 years of experience without both CVs and company business profile = 4</p> <p>3 to 5 years of experience with CVs but without company business profile = 4</p> <p>3 to 5 years of experience with company business profile but without CVs= 4</p> <p>5 years and more of experience supported by CVs and company business profile and reference letters which also include the contract period, the value of the contract, the start and the end date of the contract with the client of similar services= 5</p>
<ul style="list-style-type: none"> Confirmation letter from the National Contract Cleaning Association (NCCA). 	5		<p>No confirmation letter = 0</p> <p>Confirmation letter from the Association= 5</p>
<ul style="list-style-type: none"> A minimum of three (3) which is relevant and verifiable references in either Private or Public Sector. <p><u>Important:</u> (please provide evidence: reference letters with contact details).</p>	5		<p>0 contactable reference = 0</p> <p>Minimum of 1 contactable reference = 1</p> <p>Minimum of 2 contactable reference = 3</p> <p>Minimum of 3 contactable reference = 5</p>
2. PROVISION OF STAFF			
<ul style="list-style-type: none"> Full time manager 	4	25	<p>0 Full time manager = 0</p> <p>1 Full time manager = 5</p>
<ul style="list-style-type: none"> Two (2) Full time supervisors 	7		<p>0 Full time supervisors =0</p> <p>1 Full time supervisor =3</p> <p>2 Full time supervisors = 5</p>
<ul style="list-style-type: none"> Part time manager 	2		<p>0 Part time manager = 0</p> <p>1 Part time manager = 5</p>
<ul style="list-style-type: none"> Number of workers 	7		<p>Less than 53 workers = 0</p> <p>53 number of workers = 5</p>



EVALUATION CRITERIA	SUB WEIGHT (%)	WEIGHT	SCORES TO BE ALLOCATED
<ul style="list-style-type: none"> Part time workers <p><u>Important:</u> (please provide evidence: staffing list)</p> <p>Compliance with sectorial determination for workers in urban areas (minimum wage).</p>	5		No information provided = 0 Information provided on part time workers = 5
<p>3. TRAINING</p> <ul style="list-style-type: none"> Standard training course <p><u>Important:</u> (please provide evidence: list of training needs specific to cleaning)</p>	15	15	No information provided = 0 Information provided for standard training or on duty training courses= 3 Information provided for both courses= 5
<p>4. EQUIPMENT</p> <ul style="list-style-type: none"> Bidders must indicate the number and the type of equipment to be used for the rendering of the service. 	10	10	No detailed information provided of number and type of cleaning equipment required = 0 Information provided on minimum number of equipment but without the type of equipment required = 0 If the bidder mentioned any of the five types of equipment covered below without the minimum number of equipment listed below = 1 If the bidder mentioned any of the five types of equipment covered below with the minimum number of the equipment listed below = 2 If the bidder mentioned any of the six to ten types of equipment covered below without the minimum number of the equipment listed below = 2 If the bidder mentioned any of the six to ten types of equipments covered below with the minimum number and type of equipment listed below = 3 If the bidder mentioned any of the eleven and above types of equipments covered



EVALUATION CRITERIA	SUB WEIGHT (%)	WEIGHT	SCORES TO BE ALLOCATED
			<p>below without the minimum number of equipment listed below = 3</p> <p>If the bidder mentioned any of the eleven and above types of equipments covered below with the minimum number and types of equipment listed below = 5</p> <p>The following equipments are the minimum that can be regarded as acceptable:</p> <ol style="list-style-type: none"> 1. Six stepladders = 4 2. Vacuum cleaners = 25 3. Wet floor signages = 56 4. Small brooms and dustpan = 56 5. Mopping unit = 56 6. Wet extract carpet cleaning machine = 2 7. Window cleaning kits = 4 8. Wet and dry vacuum cleaners = 2 9. Air freshener = 87 10. Soap dispenser = 87 11. Paper towel dispenser = 87 12. Sanitary bin = 116 13. Toilet roll holders = 193 14. Wet wipes dispenser = 116
<p>5. INSURANCE</p> <ul style="list-style-type: none"> • Unemployment insurance fund. 	5	15	<p>No information, uncertified or invalid copy provided = 0</p> <p>Information (Certified valid copy of certificate) provided = 5</p>
<ul style="list-style-type: none"> • Compensation for occupational injuries and diseases. 	5		<p>No information, uncertified or invalid copy provided = 0</p> <p>Information (Certified valid copy of certificate) provided = 5</p>
<ul style="list-style-type: none"> • Maximum of R2 million is required for Public liabilities. 	5		<p>No document or invalid document provided= 0</p> <p>R0.99- R100 000.00= 1</p> <p>R100 01.00-R 500 000.00= 2</p> <p>R 500 01.00-R1 000 000.00= 3</p> <p>R1 000 001.00-R2 000 000.00= 4</p> <p>R2 000 000.00 and above= 5</p> <p>NB: All submitted documents must be certified.</p>



EVALUATION CRITERIA	SUB WEIGHT (%)	WEIGHT	SCORES TO BE ALLOCATED
6. WORK PLAN <ul style="list-style-type: none"> Bidders must submit a detailed work plan and a proposed draft service level agreement. 	10	10	No information provided = 0 Proposed draft service Level Agreement without a workplan = 1 Workplan without a proposed draft Service Level Agreement = 2 Workplan and proposed draft Service Level Agreement submitted = 5
7. CONTINGENCY PLAN <ul style="list-style-type: none"> Bidders must provide a contingency plan for COVID 19 including any other unnatural acts. Bidders must have a contingency plan or responsive plan for critical incidents such as health and other risks. Bidders must have a contingency plan for shortage of personnel. 	10	10	No information provided = 0 Insufficient plan = 3 Detailed plan provided = 5



Bids will be evaluated by applying the under mentioned phases. Therefore it is very important that all the required information be submitted as completely as possible. Failure to comply will invalidate a bid.

10.2 Phase 1 (Pre-Qualifying Criteria)

10.2.1 Only bids with B-BBEE level one (1) to four (4) of contributor will be considered.

10.3 Phase 2 (Mandatory Criteria)

10.3.1 Bidders must ensure that their tax matters are in order for the duration of the contract by verifying their Tax Status on the Central Supplier Database.

10.3.2 Bidders must be registered with the National Contract Cleaning Association (NCCA).

Only bidders who comply with all the mandatory criteria will proceed to phase three (3).

Please see paragraph 6.2 for the mandatory criteria.



10.4 Phase 3 (Functionality Evaluation)

10.4.1 The criteria and weights as per paragraph 10.1 will be applied during phase 3 of the evaluation process.

10.4.2 The Bid Evaluation Committee evaluates the bid against the set criteria indicated in the special conditions. A form will be used which will reflect the name of the bidder, the different criteria, with space provided to record the points awarded and motivation for points awarded. The allocation of points will not be effected on a basis of consensus.

10.4.3 The following scoring matrix will be used for Phase 2:

Very poor	Poor	Fair	Good	Very good	Excellent
0	1	2	3	4	5

10.4.4 The following formula will be used to convert the points scored against the weight:

$$Ps = \left(\frac{So}{Ms} \right) \times 100$$

Where:

Ps = Percentage scored for functionality by bid under consideration

So = Total score of bid under consideration

Ms = Maximum possible score

10.4.5 Only bidders who achieve the threshold score of 70% will be short-listed to proceed to phase 4.

10.5 Phase 4 (Financial Evaluation)

10.5.1 During this phase only the qualifying bids are evaluated in terms of the 80/20 preference points systems, where the 80 points are used for price only.

10.5.2 With regard to bids, the PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis.

10.5.3 When calculating prices, unconditional discounts must be taken into account for evaluation purposes. Conditional discounts must not be taken into account for evaluation purposes but should be implemented when payment is affected.



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

For cases with a Rand value below R50 million (all applicable taxes included):

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

Where:

- P_s = Points scored for comparative price of bid or offer under Consideration
 P_t = Comparative price of bid or offer under consideration
 P_{\min} = Comparative price of lowest acceptable bid or offer.

10.5.5 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

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

10.5.6 In order for bidders to qualify for B-BBEE points, bidders need to:

10.5.6.1 Study and complete the preference claim form (SBD 6.1) and ensure that it is signed.

10.5.6.2 Attach proof to substantiate the claim.

10.5.7 A maximum of twenty (20) points must be allocated for bids up to the value of R500, 000.00.



- 10.5.8 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price as calculated.
- 10.5.9 The lowest acceptable price per item will be used as basis to calculate the points on price.
- 10.5.10 A bid must be awarded to the bidder who scored the highest total number of points in terms of the preference point systems (price and B-BBEE points), unless objective criteria in terms of section 2(1)(f) of the Act justify the award of the bid to another bidder.
- 10.5.11 In the event that two or more bidders have scored equal total points, the successful bidder must be the one that scored the highest points for B-BBEE.
- 10.5.12 If two or more bidders have equal points, including equal preference points for B-BBEE, then the successful bidder must be the one scoring the highest score in terms of the functionality (Scoring criteria).
- 10.5.13 In the event that two or more bidders are equal in all respects, the award must be decided by the drawing of lots.
- 10.5.14 However, in accordance with Section 2(1) (f) of the Act, the Department has the right to award the contract to the bidder that did not score the highest total of points.

11. CONDITIONS OF BID

- 11.1 Bidders must furnish the following information per annexure regarding their company as part of the bid and complete the attached questionnaire:
 - 11.1.1 Number of staff presently employed, divided into:
 - a) Management personnel;
 - b) Supervisors; and
 - c) Cleaners. Fulltime:Part time.....
 - 11.2 Address of Head Office.
 - 11.3 Addresses of Regional Offices.
 - 11.4 Business area.
 - 11.5 Date since when the company renders cleaning services.
 - 11.6 Detailed list of current and completed cleaning contracts over the past five years.



- 11.7 Annual turnover.
- 11.8 Names, postal address and telephone number(s) of bankers and the name of the contact person as well as approval that financial enquiries must be answered and financial statements may be supplied on request.
- 11.9 Name, address and telephone number of auditor(s), the name of the contact person and approval that financial enquiries must be answered and financial statements may be supplied on request.
- 11.10 The amount that the company is insured for against public liability and the name and address of the relevant insurance company as well as the policy number.
- 11.11 Details (type, make, model, number) of equipment to be used for the rendering of the services.
- 11.12 The names, identity numbers and street addresses of all partners must be indicated.
- 11.13 In cases where a person(s), partnership, close corporation or company, commences business for the first time, the following particulars must be furnished:
- 11.13.1 Who compiled or aided in the compilation of the business plan?
- 11.13.2 Who calculated or aided in the calculation of the bid prices?
- 11.13.3 Who acts in an advisory capacity to the company?
- 11.13.4 Who provides financial support? (If not rendered by a registered financial institution or Small Business Development Corporation (SBDC), give full particulars of this institution)

12 SERVICE LEVEL AGREEMENT

- 12.1 The successful bidder will be expected to enter into a Service Level Agreement with the Department within a month.

13 PRICE ADJUSTMENTS

- 13.1 Applications for price adjustments will be done in accordance with the escalation formula as per SBD 3.10 pricing schedule.

NB: Prices for the first twelve months are firm.



13.2 NON-FIRM PRICES SUBJECT TO ESCALATION

13.2.1 IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES.

13.2.2 IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1-V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
- (1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
- D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.
- R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
- R1o, R2o = Index figure at time of bidding.
- VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

13.2.3 FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTORS:	PORTION (FRACTION) INDEX FIGURE	TABLES (CPI) BASE DATE
• Salaries:..... %	120.2	PO 141 table E122.0
	July 2021 (Domestic workers' wages)	
• Transport:..... %	117.6	PO 141 table E
	July 2021 (Public Transport)	
• Cleaning materials/..... %	118.6	PO 141 table E
Chemicals	July 2021 (Supplies and services)	
• Overheads	%	PO 141 table E



121.8 July 2021

- (Including profit) 100 % (Supplies and services)
- To be completed by bidder.

(CPI = Consumer Price Index)

14 SUPERVISION

- 14.1 Bidders must give the assurance that all workers will be under proper supervision. Any liaison with regard to daily needs will be through the supervisor(s) and not directly with the workers.

15 INDEMNITY AND INSURANCE

- 15.1 The successful bidder shall indemnify the DCS and not to hold it liable against:
- 15.1.1 Any damage to DCS property, whether movable or immovable, including any loss directly flowing from damage to such property or any act or omission on the part of the successful bidder or its employees or any damage arising from the use and occupation of the DCS property by the successful bidder;
- 15.1.2 Legal liability in respect of any claims which may be made against the DCS arising out of damage to property, whether movable or immovable, or any third parties, including any damage directly or indirectly flowing from any act or omission on the part of the successful bidder and its management staff or any damage arising from the use and occupation by the successful bidder of the DCS property;
- 15.1.3 Legal liability claims in respect of death, injury or illness of any person, or loss flowing or arising from anything done or omitted by the successful bidder, management staff of the successful bidder or any damage while using or occupying DCS property;
- 15.1.4 Any legal cost or expenses reasonably incurred in connection with claims or actions against the DCS arising out of the foregoing including attorney and client costs.
- 15.2 For the proper fulfillment of the indemnity as provided, the successful bidder shall within 14 calendar days after the conclusion of the contract, submit proof of insurance cover held by it and maintained for the duration of the contract, to cover the risks as stipulated in this document. The amount of such cover must be clearly stated. If the amount in the opinion of the DCS is not sufficient, the DCS reserves the right to call upon the successful bidder



to increase the amount to the satisfaction of the DCS, at the successful bidder's expense.

- 15.2.1 The acceptance of this Bid is subject to the condition that if proof of an acceptable insurance policy as required in paragraph 15.2 above, is not received by the DCS, the DCS may in its sole discretion, without prejudice to other rights available to it, terminate the contract and the successful bidder shall be liable for any damage which the State may sustain as a result of the termination of the contract and the appointment of another bidder.
- 15.2.2 The contractor must arrange the undermentioned insurance policies with a reputable insurance company or submit documentary proof that such policies are in effect, provided that written proof that the policies are still valid and premiums paid must be provided monthly. On failure to comply, the State reserves the right (but is not compelled to) to pay the premiums and to deduct such payments from money owing to the contractor.
- a) COIDA certificate of good standing.
 - b) Unemployment benefit insurance.
 - c) Public liability in the name of the contractor as well as the State for an amount of two (2) million.

16 TRADE PLAN

- 16.1 The bidder must submit together with his bid a complete trade plan in which, amongst others, the following should be indicated:
- 16.1.1 The number of supervisors that will be employed.
 - 16.1.2 The number of workers that will be employed.
 - 16.1.3 The work method that will be followed for the execution of the contract.
 - 16.1.4 What the different cycles for the execution of the work will be. Prospective bidders may ascertain at the site the extent and nature of the work, floor surfaces and areas that need to be cleaned.

17 CONTRACT CONDITIONS

17.1 ROUTINE ACTIVITIES IN OFFICES:

- 17.1.1 Cleaning work should under no circumstance disrupt the routine activities of DCS.



17.2 WORKMANSHIP AND MATERIAL:

17.2.1 All work must be of a high standard and executed to the satisfaction of DCS.

17.2.2 All materials and chemicals must be of good and acceptable quality. National Regulator for Compulsory Specifications (NRCS). A list of all approved chemicals and their contents can be sourced from their website: <https://www.nrcs.org.za/>

17.3 COMPLIANCE WITH ACTS AND REGULATIONS:

17.3.1 All acts and regulations relating to cleaning services must be strictly adhered to by the contractor.

17.4 ARBITRATION:

17.4.1 Parties to this agreement confirm that it has been agreed that no dispute forthcoming from this agreement will be laid before the court. Any dispute arising in respect of any matter in connection with this agreement, or the validity or meaning or execution thereof must be settled through arbitration in accordance with the procedures and ways stipulated hereunder:

17.4.1 Within 10 days after agreement could not be reached a party will have the right, by notice to the other, to demand that the dispute be referred to for arbitration in terms of this clause.

17.4.2 The parties involved must agree mutually as to who will act as arbiter.

17.4.3 The arbiter must notify the parties in advance, regarding the remuneration for his services.

17.4.4 Each party must submit a full written view of his case to the arbiter within 30 days of the notification per paragraph 17.4.1 in which all evidence, affidavits, facts, submissions of expert evidence, etc. on which his case rests and he must serve a copy on the other party.

17.4.5 Within 14 days after receipt of the copy of the other party's case/view, any party may reply thereto and submit a supplementary piece to the arbiter and serve a copy on the other party.

17.4.6 The arbiter must then consider the dispute and decide on the evidence before him without the appearance of any of the parties or any legal representatives before him.

17.4.7 The arbiter may make any decision or allocation, which in his discretion is fair and appropriate.



- 17.4.8 The arbiter must take the intention of the parties into consideration and make his decision in accordance with the South African Law. He is not strictly bound to the rules of the law but should let himself be guided by principles of justice and fairness.
- 17.4.9 The findings of the arbiter may include an order, which instruct the unsuccessful party to pay the remuneration of the arbiter as well as the expenses of the successful party.
- 17.4.10 This clause hold the irrevocable consent of the parties to the arbitration and no party shall have the right to withdraw from it or claim that he is not bound by this clause.
- 17.4.11 If a party withdraws from the arbitration it will be accepted that he consent to the arbiter's findings against him.
- 17.5 PLASTIC REFUSE BAGS:**
- 17.5.1 Plastic refuse bags needed for the service, must be supplied by the contractor at his/her cost.
- 17.6 FIRE EXTINGUISHERS:**
- 17.6.1 The contractor and his employers shall under no circumstances make use of fire fighting equipment on the site in the activities attached to the rendering of the service.
- 17.7 TOILET CISTERNS AND DRESSING ROOMS:**
- 17.7.1 If possible, attending of toilets and dressing rooms must be done by employees of the appropriate sex.
- 17.8 UNACCEPTABLE CLEANING AGENTS:**
- 17.8.1 No equipments, utensils or agents that may damage the buildings, fittings, person(s) or contents shall be used. The DCS has the right to reject any such equipment, utensils or agents.
- 17.9 MACHINES AND EQUIPMENT:**
- 17.9.1 The contractor shall re-fill, empty or clean his machines and equipment only at such places as indicated.
- 17.10 WARNING BOARDS:**



17.10.1 Clearly readable warning boards or signs shall be exhibited where needed where the rendering of the cleaning services may cause injuries to any person(s).

17.11 INFLAMMABLE AND POISONOUS SUBSTANCES:

17.11.1 The contractor shall not use or store any poisonous or highly inflammable substances on the premises without the written consent of the DCS for the rendering of the services or any other purposes. It is expected of the contractor to have a site for the storage of inflammable and poisonous substances at own cost.

17.12 LIABILITY:

17.12.1 The contractor indemnifies the DCS herewith from any claim from a third party and all costs or legal expenses in regard to such a claim for loss or damage resulting from the death, injuries or ailment of any person, or the damage of property of the contractor or any other person that may result from or be related to the execution of this contract.

17.13 DAMAGE COMPENSATION:

17.13.1 The contractor will be held liable for any damage or thefts that may be caused to the premises or content by him/her or his/her employees or be due to their neglect whether in the normal execution of their duties or otherwise and a claim for indemnification can accordingly be imposed by the DCS against the contractor.

17.14 RECTIFICATION OF DAMAGES:

17.14.1 In the case of damages to carpets, furniture and equipment resulting from rendering the services, the contractor undertake to rectify the damage immediately to the satisfaction of the DCS. If the contractor fails to act immediately after notification, the DCS will rectify the damage at will and the costs thereof will be recovered from any monies outstanding.

17.15 TERMINATION AND/OR WITHDRAWAL:

17.15.1 In cases of any failure to comply with any of the conditions of the contract or unsatisfactory rendering of services, the stipulations of the Government Procurement - General Conditions of Contract (GCC) will be applicable.

17.15.2 DCS reserves the right to withdraw any part(s) of the premises or the premises as a whole from the services, with three months written notification to the contractor. Should a part of the premises be withdrawn, the contract amount will be adjusted pro-rata from date of withdrawal. The contractor will be entitled to payment up to the date of withdrawal.



17.16 BREACH OF CONTRACT:

17.16.1 If the services is interrupted or temporarily delayed as a result of labour disputes, civil revolt, a local or national disaster, or any other cause above the control of the contractor, the parties must mutually agree on methods to continue with essential services.

17.17 CONDITIONS IN RESPECT OF THE PERSONNEL OF THE CONTRACTOR:

17.17.1 The personnel of the contractor will have access to all areas, subject to other stipulations in this contract, to render the service. If the services is not rendered in that specific area at a given time, access to that area is forbidden.

17.17.2 Each member of the contractor's personnel must submit a trade health certificate at the start of the cleaning service and it must be revised annually on request of the contract person.

17.17.3 Acceptance of this bid is subject to both sub-contracting company and its personnel providing the service must be security cleared by appropriate authorities to the level of **CONFIDENTIALITY** including the sub-contractors. If the principal contractor appoints a subcontractor, the same measures and conditions will apply to the subcontractor.

17.17.4 Acceptance of the tender is also subject to the condition that the contractor will implement all such security measures as the safe performance of the contract may require.

17.17.5 Without prejudice to the contractor's responsibility to select his personnel before employment, the DCS will at all times have the right to point out staff members of the contractor who is considered a safety, health or security risk or undesirable in which case the contractor will be requested not to utilize such person(s) any longer to honour his obligations in terms of the agreement.

17.17.6 In such a case the contractor will immediately comply with the request and the contractor will not (as a result of such a request) be entitled to bring a claim for loss or damage against the DCS and the contractor indemnifies the DCS against any claim from the employee concerned.

17.17.7 The contractor must ensure that the total number of personnel offered for the execution of this contract is on duty on a daily basis. Provision must therefore be made for temporary or stand-in personnel for cases where personnel are on leave or sick leave.

17.17.8 Cleaning personnel must be available to perform services in accordance with the contract. The contractor shall supply at all times the complement of staff necessary to satisfy the requirements laid out in the contract.



Personnel shall be of a sufficient quality to ensure that the standards detailed achieved at all times.

17.18 UNSPECIFIED SERVICES:

17.18.1 If the occupant of the building requires any unspecified services and payment must be made for such services, authorization in the form of an official order form must be obtained in advance.

18 LATE BIDS

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

19 VALIDITY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES

19.1 Only bidders that meet the pre-qualifying criteria as required by paragraph 5.1 of this document, will be considered.

19.2 Bidders are required to submit a valid and original/ originally certified copy B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims as per SBD 6.1.

19.3 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.

19.4 Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.

19.5 It must be ensured that the B-BBEE Status Level Verification Certificates submitted are issued by the following verification agencies.

19.5.1 *Bidders other than EMEs.*

a) Verification agencies accredited by SANAS;

19.5.2 *Bidders who qualify as EMEs.*

a) Sworn affidavit signed by the EMEs and QSEs representative and attested by a Commissioner of Oaths.

Bidders can access the sworn affidavits templates on https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp



19.6 Any enquiries in respect of B-BBEE Status Level Verification Certificates may be directed to the Department of Trade and Industry (DTI).

20 PRICE AND PRICE QUALIFICATION

20.1 Prices for this contract are firm for the first twelve (12) months.

20.2 Prices shall be quoted in South African currency.

20.3 The bid prices shall be given in the units shown.

20.4 Prices must be inclusive of delivery cost and all taxes.

21 COMMUNICATION

21.1 No communication with any Procurement Official will be allowed during the running period of the bid.

21.2 Communication after the closing date of the bid must be in writing and addressed to the Director Procurement.

21.3 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.

22 COUNTER CONDITIONS

22.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

23 PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS

23.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.

23.2 **The Public Administration Act, 2014 (Act no. 11 of 2014), chapter 3, section 8(2) (a) specifies that an employee of the State may not conduct business with the State.**

23.3 Bidders having a kinship with persons employed by the state, including a blood relationship, must declare their interest on the SBD 4 (Declaration of Interest).



24 FRONTING

24.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:

- a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.
- b) The Department of Correctional Services, in ensuring that bidders conduct themselves in an honest manner will as part of the bid evaluation processes, conduct or initiate the necessary enquiries, investigations to determine the accuracy of the representations made in the bid documents.

24.2 Taking the above into consideration, proof for the points claimed must be provided together with the bid or on request to do so. **Failure to provide proof will result in that the points claimed will not be considered during the evaluation process.**

25 SERVICE COMPLIANCE

25.1 The service shall strictly be for the cleaning services and provision of cleaning materials to the Department of Correctional Services at poyntons building.

26 VENDOR ASSESSMENT

26.1 The Department will have the right to confirm the ability of bidders to carry out this contract successfully. This includes an investigation by the Department or its appointee, of the bidder's financial position, previous contracts carried out, availability of skills or knowledge, existing work load, after sales service, delivery periods, quality and quantity of products.

26.2 To ensure that the bidder has the financial ability and stability to execute the contract, the bidder must provide proof together with their bid document that he/she has the financial ability and stability to execute the contract. For this purpose, the bidder is allowed to either:

26.2.1 Omission to provide such proof will automatically invalidate your bid.

26.3 Please provide contactable details of current and previous clients for the service rendering of similar contract and where the business was gained in the last twelve months by means of a bidding process.



- 26.4 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his offer will be regarded as not acceptable.**

27 **RENDERING OF SERVICES**

- 27.1 Before any services are rendered, the contractor must be in possession of an official order issued by an authorized official of the Department Procurement Administration.

28 **CONTRACT MANAGEMENT**

- 28.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department/ Directorate Contract management..
- 28.2 Contractor must inform the relevant Institution immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

29 **PENALTIES**

- 29.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)
- 29.2 The following formula will be utilized for this purpose:

$$Penalty = \left(Vx \frac{10}{100} \right) x N$$

V = Value of delayed goods or services
N = Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.

- 29.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads "Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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."



- 29.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery and non-delivery) following the occurrence of the unsatisfactory performance.

30 PAYMENT

- 30.1 Payment will only be effected by the Department in the following cases:
- 30.1.1 The successful completion of the service in line with the terms of reference and deliverables.
- 30.1.2 Invoice should be delivered/posted to reach the department timeously.
- 30.1.3 The invoice should be original and must be accompanied by proof of outputs/work done.
- 30.2 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

31 SETTLEMENT OF DISPUTES

- 31.1 Should any dispute arise from this contract paragraph 27 of the General Conditions of Contract shall apply.

32 DECLARATION OF INTEREST (SBD 4)

- 32.1 It is important that bidders acquaint themselves with the content of the Declaration of Interest (SBD 4).
- 32.2 A bidder or his/her authorised representative is required to declare his/her position in relation to the evaluation/adjudicating authority and/or **take an oath declaring his/her interest, where -**
- a) The bidder is employed by the state; and/or
 - b) The legal person on whose behalf the bidding document is signed, has a relationship with person(s) who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person(s) for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
- 32.3 The Declaration of Interest (SBD 4) must be completed in full.
- 32.4 Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, this Department will act against such bidder (company) and/or its Directors in terms of paragraph 23 of the General Conditions of Contract.



33 BRIEFING AND SITE INSPECTION

33.1 A briefing and site inspection is not compulsory however it can be arranged and conducted within COVID-19 regulations to address potential bidders at **124 WF Nkomo Street, Poyntons Building, West Block Foyer, Department of Correctional Services.**

Bidders will not be issued with the registration certificate as briefing and site inspection is not compulsory.