

**REFERENCE: RFP 33/2017**

# **REQUEST FOR PROPOSAL**

## **DESCRIPTION:**

**PROVISION OF PRE-EMPLOYMENT SCREENING AND RELATED SERVICES**

**DATE ISSUED: 02 March 2018**

**CLOSING DATE: 05 April 2018**

## **TENDER BOX:**

**GROUND FLOOR, LINTON HOUSE**

**BROOKLYN BRIDGE**

**570 FEHRSEN STREET**

**BROOKLYN**

**PRETORIA**



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## **1. INTRODUCTION**

The South African Revenue Service (SARS) is uniquely placed to contribute to government's plan of action to address socio-economic growth and development, poverty alleviation and job creation. Through the vital role of providing the revenue to fund the full spectrum of initiatives, plans, programmes and strategies of national and provincial government departments, SARS plays a crucial enabling role for government delivery.

## **2. OVERVIEW OF SARS**

### **Our Mandate**

In terms of the South African Revenue Service Act, 1997 (Act No. 34 of 1997), SARS is mandated to:

- Collect all revenues due;
- Ensure maximum compliance with tax and customs legislation; and
- Provide a customs service that will maximise revenue collection, protect our borders and facilitate trade.

### **Our Vision**

SARS is an innovative revenue and customs agency that enhances economic growth and social development, and that supports the country's integration into the global economy in a way that benefits all South Africans.

### **Our Mission**

To optimise revenue yield, to facilitate trade and to enlist new tax contributors by promoting awareness of the obligation to comply with tax and customs laws, and to provide a quality, responsive service to the public.

### **Our Values**

- Fairness
- Integrity
- Trust
- Honesty
- Accountability

- Respect
- Transparency

### **Our Core Outcomes**

Increased Customs Compliance;

Increased Tax Compliance;

Increased ease and fairness of doing business with SARS; and

Increased cost effectiveness, internal efficiency and institutional respectability.

### **3. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)**

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential Service Provider(s) with **minimum BBBEE status level 3** for the provision of Pre- Employment Screening and Related Services.

This RFP document details and incorporates, as far as possible, the tasks and responsibilities of the potential Service Provider(s) required by SARS.

This RFP does not constitute an offer to do business with SARS, but merely serves as an invitation to bidders to facilitate a requirements-based decision process.

### **4. LEGISLATIVE METHODOLOGY OF THE BID**

#### **4.1. TAX LEGISLATION**

When submitting a bid to SARS, Service Provider(s) must be compliant and remain compliant with all applicable tax legislation for the entire contract term, including but not limited to the Tax Administration Act, 2011 (Act No. 28 of 2011), Income Tax Act, 1962 (Act No. 58 of 1962) and Value-Added Tax Act, 1991 (Act No. 89 of 1991)..

#### **4.2. PROCUREMENT LEGISLATION**

SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

#### 4.3. TECHNICAL LEGISLATION AND/OR STANDARDS

Service Provider(s) should be cognisant of all legislation and/or standards specifically applicable to the services.

#### 5. BRIEFING SESSION

Interested parties have an option to attend a non-compulsory briefing session that will be held at Linton House, Brooklyn Bridge, 570 Fehrsen Street, Brooklyn, Pretoria, on **14 March 2018 at 11H00**, to clarify to Service Provider(s) the scope and extent of work to be executed.

#### 6. DURATION OF CONTRACT

The successful bidder will be required to provide screening services “as and when required” for a period of thirty six (36) months.

#### 7. TIMELINE OF THE BID PROCESS

The **validity period** of the tender and the withdrawal of offers, after the closing date and time, is 180 days.

The project timeframes of this Bid are set out below:

Activity	Date Due
Advertisement of Bid in the : - Government Tender Bulletin; and - National Treasury Tender Portal.	02 March 2018
Distribution of Bid documents on SARS website	05 March 2018
Non Compulsory Briefing Session	14 March 2018 at 11H00
Questions relating to the bid from Service Provider(s)	02 March – 23 March 2018
Bid Closing Date	05 April 2018 at 11H00
Notice to Service Provider(s)*	*May/June 2018

\*Dates subject to change

All times and dates in this bid are South African Standard Time.

Any time or date in this bid is subject to change at SARS's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of SARS to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The Service Provider accepts that, if SARS extends the deadline (the Closing Date) for bid submissions for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

## **8. CONTACT**

A nominated official of the Service Provider(s) can make enquiries in writing, to the specified person, Ms Vuyokazi Ntshinga (Procurement Tender Office) via email at [tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za) and cc [rft-professionalservices@sars.gov.za](mailto:rft-professionalservices@sars.gov.za). Service Providers must reduce all telephonic enquiries to writing and send them to the above email address.

## **9. SCOPE OF WORK/SPECIFICATION/BUSINESS REQUIREMENTS**

### **9.1. BACKGROUND**

SARS' Integrity Compliance Office is responsible for conducting pre-employment screening on internal and external candidates as well as service providers prior to their appointments. The screening process focuses on criminal record, citizenship status, credit worthiness where applicable, tax compliance and qualification verification.

### **9.2. OBJECTIVES**

The objectives of standard and compulsory pre-employment checks are to ensure that a new appointee:

- is who they say they are;
- is legally entitled to work in the Republic of South Africa;
- has nothing in their employment history that would make them unsuitable for the role; and
- has the qualifications, skills and/or experience they have claimed to have and which are required for the role.

### **9.3. SCOPE OF SERVICES**

The Service Provider should be able to supply an extensive range of services to screen all applicable personnel to the highest standards, avoiding risks and costs to the organisation.

9.3.1. The Service Provider should be able to verify/confirm:

a) Qualifications and Professional Membership

- Matric and equivalent international qualifications (symbols to be verified as well) national and international;
- Tertiary academic qualifications (national and/or international); and
- Membership of professional associations.

b) A candidate's Identity

- ID number validation; and
- ID number verification.

c) Citizenship status including Temporary residence permit (passport and work permit), permanent residence, refugees and/ or asylum seeker.

d) Driver's license, where applicable.

e) Credit record, where applicable.

f) Directorship and company checks, where applicable.

9.3.1.1. The aforementioned verifications need to be finalised within four (4) working days for local qualifications that are obtained post 1992 and not later than fifteen (15) working days for those obtained pre-1992. For international qualification, verifications must not exceed four (4) calendar months. For citizenship checks, verification for work permit, permanent residency, refugee and/or asylum status must not exceed thirty (30) calendar days.

9.3.2. The Services provided have to be consistent and should be provided in line with the turn-around time highlighted in 9.3.1.1 above and should not be influenced by external factors.

9.3.3. The Service Provider should be able to process large volumes of requests without any delay - at times more than three hundred (300) individual verifications are requested within a period of one (1) month.

9.3.4. The Service Provider should offer a user friendly process that includes:

- a) Provision of a consolidated personal credential verification (PCV) in an electronic format (mailed to the Integrity Office as pdf Files).
- b) Provision of direct access of the SARS' Integrity Compliance Office personnel to the service provider's system so that the applicable SARS personnel are in complete control at all times and aware of each individual request's progress. The process should also allow SARS to contact the

service provider telephonically or via e-mail to enquire about candidates' screening statuses.

- 9.3.5. The Service Provider's staff should be highly trained and be continually trained in the latest legislation affecting pre-employment screening requirements and should be capable of advising SARS Integrity Compliance Office on pre-employment screening requirements.

#### **9.4. General Requirements**

- 9.4.1. Tasks not specified in this document will be identified, as and when required and associated costs to be mutually agreed between the Service Provider and SARS, prior to the execution of the actions.
- 9.4.2. All written deliverables must be phrased in terms and language that can be easily understood by non-technical personnel (e.g., laypersons without subject matter expertise).
- 9.4.3. All document deliverables must be in formats (hard copy and electronic) that are industry accepted standards (e.g., MS Word, MS PowerPoint, MS Project).
- 9.4.4. All submitted personal information must be protected in line with the necessary provisions of the Protection of Personal Information Act, Act: No 4 of 2013.
- 9.4.5. Should any aspect relating to pre-employment screening be sourced from another service provider, this should be indicated in the proposal and the related agreements/contracts in place must be provided. The agreements/contracts must indicate the expected turn-around-time.
- 9.4.6. In an event the service provider indicates a discrepancy between information submitted by the candidate and what it has verified, the service provider should avail themselves for any disciplinary process that may unfold.
- 9.4.7. Key personnel assigned to this project including those that will be conducting the actual service must be screened at the cost of the service provider. The personal credential verification report of each employee including the key account manager(s) must be submitted to SARS prior to the personnel working on the project.

The PCVR must contain the below:

- Criminal record;
- Qualifications;
- Credit record;



- Citizenship status.

SARS will conduct tax compliance verification on personnel and grant approval of employees to be included in the project.

- 9.4.8. The company and its directors may also be required to undergo security screening process which may include but not limited to criminal record, credit record, company check, citizenship status and all relevant checks that may be required. The associated costs will be borne by SARS. The information regarding this will be required from the company and its directors.

## **9.5. SERVICE PROVIDERS RESPONSES/BID SUBMISSIONS**

Service Providers are required to submit their responses to all the information in this section.

### **9.5.1. Company Profile and Resources**

Provide

- 9.5.1.1. A company profile detailing service offering, structure, turnover, date established, alliances and partnerships with regards to screening;
- 9.5.1.2. A range of all services provided specific to screening, including in-house as well as those services that are obtained from other service providers. A written confirmation of such an enabling arrangement/contract must be provided. Bidders will be required to provide monthly usage report indicating the services rendered as well as highlighting whether the services were provided within the agreed turnaround times. Failure to adhere to the outlined turn-around-time might result in penalties.
- 9.5.1.3. Level of expertise of technical personnel that will be assigned to SARS, number of years, their accessibility, qualifications and competencies relevant to the scope of services; and
- 9.5.1.4. Full name and contact details (landline, cell-phone and email address) of a Key Account Manager with technical expertise that the bidder recommends to SARS. Please elaborate on how the Key Account Manager played a key role in at least two (2) projects similar to the scope of work of this bid.

### **9.5.2. Testimonials**

Service Providers must provide written testimonials from two (2) current and / or recent finance, banking or government (not older than 36 months) clients to whom screening services are /were provided. The testimonials must include but not be limited to:

- Brief description of services rendered;
- Turnaround Time;

- Quality of service; and
- Performance.

Please note that SARS will sample and reserves the right to contact the clients for a reference check. It is important to ensure that the clients listed on the Service Provider's schedule are contactable.

#### **9.5.3. Capability**

- 9.5.3.1. Service Providers must outline in detail how they are implementing the protection of personal information including but not limited to how they source, use, collate, disseminate and store personal information.
- 9.5.3.2. Service Providers must also outline in detail the process they follow when there are discrepancies between screening checks results and submitted information.
- 9.5.3.3. Service Providers will be required to demonstrate an automated and integrated system that will be used for screening purposes. The demonstration of the system must cover the following minimum capabilities but not limited to:
  - Direct interface between SARS employees and the relevant systems;
  - Uploading capability;
  - Tracking and monitoring capability;
  - Consolidated personal verification credential report; and
  - Capacity and capability to deal with batch recruitment of 300 and above.

#### **9.5.4. Turnaround Time**

Service Providers must provide copies of service level agreements in place indicating turnaround time, in instances whereby they rely on other service providers for the required information, and dependencies for screening services that are applicable to this tender.

### **10. INSTRUCTIONS TO SERVICE PROVIDER(S)**

#### **10.1. Registration on Central Supplier Database**

Foreign Suppliers who have no presence in South Africa currently are not required to register on CSD however should such entities be successful in winning the award, they will be expected to register on the Central Supplier

Database. All other local suppliers or foreign suppliers that have local presence at the time of tendering are expected to abide by the following provisions. CSD can be accessed via the following link:  
<https://secure.csd.gov.za/>

Service Provider(s) who wish to render services to SARS will no longer register at SARS directly. Service Providers will have to register on National Treasury Central Supplier Database (CSD) as per National Circular No 3 of 2015/6 – Central Supplier Database.

National Treasury will maintain the database for all suppliers for Government and its institutions; and all existing and prospective suppliers are requested to register on the CSD by accessing the National Treasury website at [www.CSD.gov.za](http://www.CSD.gov.za).

- 10.2. Bids must be properly packaged and deposited in the below mentioned tender box on or before the Closing Date and before the closing time at the SARS Tender Office situated at:

Linton House - Ground Floor  
Brooklyn Bridge  
570 Fehrsen Street  
Brooklyn, Pretoria

- 10.3. Bid documents may also be posted to the Tender Office - SARS Procurement Department, Linton House, Brooklyn Bridge, 570 Fehrsen Street, Brooklyn, Pretoria, 0181.
- 10.4. Bid documents will only be considered if received by SARS before the Closing Date and time, regardless of the method used to send or deliver such documents to SARS.
- 10.5. Late bids will not be accepted and shall be returned to Service Provider(s).
- 10.6. The Service Provider(s) are required to submit one (1) copy of each file (original and duplicate) and one (1) CD-ROM with the contents of each file by the closing date and time.
- 10.7. Each file and CD-ROM must be **marked correctly and sealed separately** for ease of reference during the evaluation process. Pricing Information should not be included in the Technical file. Furthermore, the file and information in the CD-ROM must be labelled and submitted in the following format:

FILE 1 (ONLY TECHNICAL PROPOSAL)	
<b>Exhibit 1</b> <ul style="list-style-type: none"> <li>Pre-qualification documents (SBD documents)</li> </ul>	<b>Exhibit 2</b> <ul style="list-style-type: none"> <li>Service Provider Compliance Checklist for the Technical Evaluation</li> <li>Response to Technical Requirements</li> <li>Supporting documents for the technical responses</li> </ul>
<b>Exhibit 3</b> <ul style="list-style-type: none"> <li>Company profile</li> <li>Any Supplementary / Additional information supporting documents for the technical responses</li> <li>References/testimonials</li> </ul>	<b>Exhibit 4</b> <ul style="list-style-type: none"> <li>General Conditions of Contract (GCC)</li> <li>Draft Services Agreement</li> </ul>
FILE 2 (ONLY PRICE AND BBBEE PROPOSAL)	
<b>Exhibit 1</b> <ul style="list-style-type: none"> <li>BBBEE Certificate</li> </ul>	<b>Exhibit 2</b> <ul style="list-style-type: none"> <li>Pricing Schedule</li> </ul>
<b>Exhibit 3</b> <ul style="list-style-type: none"> <li>3 years audited / independently reviewed financial statements</li> </ul>	
<b>Please note:</b> SARS requests that bidders use Lever Arch files to package their proposals.	

## 11. EVALUATION AND SELECTION CRITERIA

SARS has set minimum standards (Gates) that Service Provider(s) must meet in order to be evaluated and selected as a successful Service Provider.

The minimum standards consist of the following:

- Pre-Qualification Criteria (Gate 0)** – Service Provider(s) must submit all documents, as outlined in section 11.1 below.
- Technical Evaluation Criteria (Gate 1)** – Service Provider(s) will be evaluated out of 100 points for functionality. The detailed process for the technical evaluation is outlined in paragraph 11.2 below.
- Price and BBBEE Evaluation (Gate 2)** – This will be evaluated out of 100 points. Price will be evaluated out of 80 and BBBEE 20 points.

## 11.1 PRE-QUALIFICATION CRITERIA – GATE 0

Without limiting the generality of SARS's other critical requirements for this bid, a Service Provider(s) must submit the documents listed in **Table 11A** below. All documents must be completed and signed by the duly authorised representative of the prospective Service Provider(s). A Service Provider's proposal may be disqualified for non-submission of any of the documents.

**Table 11A: Documents that must be submitted for Pre-qualification**

PRE-QUALIFICATION REQUIREMENTS	
Name of the document that must be submitted	Non-submission may result in disqualification
B-BBEE Certificate	<b>YES</b> – Submit a valid B-BBEE certificate with minimum of level 3 B-BBEE status.
Central Registration Report (Central Database System) from National Treasury	<b>YES</b> – Service Providers must register on Central Database System and submit the Report as confirmation of registration.
Tax Compliance status pin	<b>YES</b> – Submit Tax Compliance status pin
SARS' s Oath of Secrecy	<b>YES</b> – complete and sign the supplied pro forma document in the presence of a Commissioner of Oaths and initial every page.
Invitation to Bid – SBD 1	<b>YES</b> – complete and sign the supplied pro forma document.
Pricing Schedule	<b>YES</b> – submit full details of the pricing proposal to SARS in Annexure B.
Declaration of Interest – SBD 4	<b>YES</b> – complete and sign the supplied pro forma document.
Preference Point Claim Form – SBD 6.1	<b>NO</b> – Non-submission will lead to a zero score on BBBEE.
General Conditions of Contract (GCC)	<b>YES</b> – sign the supplied GCC form.
Declaration of Bidder's Past Supply Chain Management Practices – SBD 8	<b>YES</b> – complete and sign the supplied pro forma document.
Certificate of Independent Bid Determination – SBD 9	<b>YES</b> – complete and sign the supplied pro forma document.
Three (3) most recent Financial Statements	<b>NO</b> – Bidders are required to submit complete sets of audited / independently reviewed annual financial

PRE-QUALIFICATION REQUIREMENTS	
Name of the document that must be submitted	Non-submission may result in disqualification
	statements in the name of the bidding entity.
Service Provider Compliance checklist for Technical Evaluation – Annexure A2	<b>NO</b> – complete to assist with ease of reference during evaluation.
MANDATORY REQUIREMENTS	
Mandatory requirement	Non-submission will result in disqualification
Minimum B-BBEE status level 3	<b>YES</b> – Please submit a valid B-BBEE Status Level Verification Certificate or sworn affidavit (whichever applicable according to SBD 6.1) with a minimum B-BBEE status level 3. Failure to submit a valid B-BBEE certificate or sworn affidavit with the required minimum B-BBEE status will be disqualified.

## 11.2 TECHNICAL EVALUATION (GATE 1) = 100 POINTS

Only Service Providers that have met the Pre-Qualification Criteria in Gate 0 will be evaluated in Gate 1 for functionality/technical. Functionality will be evaluated as follows:

- Desktop Technical Evaluation – All Service Providers will be evaluated out of 55 points during Desktop Evaluations. The criterion is outlined in paragraph 9.5.
- System Capability Evaluation – All Service Providers will be invited to demonstrate the system capability (Refer to section 13.3 in Annexure A1) and will be evaluated out of 45 points.

Service Providers that achieve a minimum threshold of 70 points out of **100** points for technical evaluations are to proceed to Gate 2: Price and BEE evaluations

The Service Providers' information will be scored according to the following points system:

**Table 11B: Breakdown for Technical Evaluation points**

Functionality	Maximum Points Achievable	Minimum Threshold
<b>Desktop Technical Evaluation</b> Details found in Annexure A1 - Technical Scorecard	55	70
<b>System Capability Evaluation</b> Details found in Annexure A1 - Technical Scorecard	45	

## 11.2.1 TECHNICAL EVALUATION CRITERIA

**Table 11C: Breakdown for Desktop Technical Evaluation**

No	Description	RFP Reference	Weight
11.2.1.1	<b>Company Profile and Resources</b>		35
11.2.1.1.1	A company profile detailing service offering, structure, turnover, date established alliances and partnerships with regards to screening.	Refer to section 9.5.1.1.	2
11.2.1.1.2	Indicate a range of in-house services provided specific to screening, including services that are outsourced by the Service Provider from other service providers, including a written confirmation of such an enabling arrangement must be provided. Screening services include: <ul style="list-style-type: none"> <li>• Qualifications;</li> <li>• A candidate's Identity;</li> <li>• Citizenship status;</li> <li>• Driver's license;</li> <li>• Credit record;</li> <li>• Directorship and company checks; and</li> <li>• Professional Membership.</li> </ul>	Refer to section 9.5.1.2.	28
11.2.1.1.3	Level of expertise of key technical personnel that will be assigned to SARS, number of years, their accessibility, qualifications and competencies relevant to the scope of services.	Refer to section 9.5.1.3.	2.5

No	Description	RFP Reference	Weight
11.2.1.1.4	Full name and contact details (landline, cell-phone and email address) of a Key Account Manager with technical expertise that the bidder recommends to SARS. Please elaborate on how the Key Account Manager played a key role in at least two (2) assignments similar to the scope of work of this bid.	Refer to section 9.5.1.4.	2.5
11.2.1.2	<b>Testimonials</b>		<b>5</b>
11.2.1.2.1	Service Providers must provide written testimonials from two (2) current and / or recent finance, banking or government (not older than 36 months) clients to whom screening services are /were provided. The testimonials must include but not be limited to: <ul style="list-style-type: none"> <li>Brief description of services rendered;</li> <li>Turnaround Time;</li> <li>Quality of service; and</li> <li>Performance.</li> </ul>	Refer to section 9.5.2.	5
11.2.1.3	<b>Capability</b>		<b>15</b>
11.2.1.3.1	<ul style="list-style-type: none"> <li>Service Providers must illustrate how they are implementing the protection of personal information including but not limited to: How they source, use, collate, disseminate and store personal information.</li> </ul>	Refer to section 9.5.3.1	10
	Service Providers must also clearly illustrate: <ul style="list-style-type: none"> <li>Service Providers must also outline in detail the process they follow when there are discrepancies between screening checks results and submitted information.</li> </ul>	Refer to section 9.5.3.2	5
<b>SUB-TOTAL</b>			<b>55</b>



**Table 11C: Breakdown for System Capability Evaluation**

No.	Description	RFP Reference	Weight
11.2.2.1	<b>System Capability Evaluation Criteria</b>		<b>35</b>
11.2.2.1.1	<p>Service Providers will be required to demonstrate an automated and integrated system that will be used for screening purposes. The demonstration of the system should have the following minimum capabilities but not limited to:</p> <ul style="list-style-type: none"> <li>• Direct interface between SARS employees and the relevant systems;</li> <li>• Uploading capability;</li> <li>• Tracking and monitoring capability;</li> <li>• Consolidated personal verification credential report; and</li> <li>• Capacity and capability to deal with batch recruitment of 300 and above.</li> </ul>	Refer to section 9.5.3.3.	35
11.2.2.2	<b>Turnaround Time</b>		<b>10</b>
11.2.2.2.1	Service Providers must provide copies of service level agreement(s) in place in instances whereby they rely on other service providers for the required information and dependencies for all screening services that are applicable to this tender.	Refer to section 9.5.4.1.	10
<b>SUB-TOTAL</b>			<b>45</b>
<b>TOTAL</b>			<b>100</b>

### 11.3 PRICE AND BBBEE EVALUATION (GATE 2) (80 + 20) = 100 POINTS

#### 11.3.1 Stage 1 – Price Evaluation (80 points)

**Table 11C: Price evaluation formula**

Adjudication Criteria	Maximum Points
<p>Price Evaluation</p> $P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

Where

Ps	=	Points scored for price of Bid under consideration
Pt	=	Rand value of Bid under consideration
Pmin	=	Rand value of lowest acceptable Bid

### 11.3.2 Stage 2 – BBBEE Evaluation (20 points)

#### a. B-BBEE Requirements

In line with the requirements of the Preferential Procurement Regulations, 2017 (*Government Gazette* No. 0553) to the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) [the “PPPFA”] tenders that have achieved the minimum qualifying score for functionality will be evaluated further in terms of the prescribed preference point systems:

- (i) Regulation 6 - 80/20: A maximum of 20 points may be allocated to a Service Provider; or
- (ii) Regulation 7 - 90/10: A maximum of 10 points may be allocated to a Service Provider.

#### b. Bid Evaluation Process Gate 2: B-BBEE EVALUATION

B-BBEE points may be allocated to Service Providers on submission of the following documentation or evidence:

Adjudication Criteria	Points
A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1), including paragraph 8 thereof relating to the sub-contracting of the services, and a B-BBEE certificate.	20

The checklist below indicates the B-BBEE documents that must be submitted for this tender. Failure to submit the required documents will result in Service Providers scoring zero for B-BBEE.

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R10 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS accredited rating agency or a Registered Auditor approved by IRBA or a letter from an

Classification	Turnover	Submission Requirement
		Accounting Officer as contemplated in the CCA.
Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by the IRBA.
Large Enterprise (LE)	Above R50 million p.a.	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by the IRBA.

Service Providers who do not claim Preference Points will be scored zero for B-BBEE, but will not be excluded from the tender process. Bidders who do not fill SBD6.1 in its entirety will not be awarded points for BBEE.

SARS will accept B-BBEE Certificates issued under the revised B-BBEE Codes.

**c. Use and acceptance of Sworn Affidavits**

All companies will need to request the information which proves Black Ownership and turnover in addition to the Affidavit, or request that their EME/QSE suppliers be verified and have this confirmed on the Affidavit.

SARS reserves the right to request that Service Providers submit their Black Ownership and turnover information in support of their Affidavits.

**d. Joint Ventures and Consortiums**

Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE scorecard as if they were a group structure for every separate tender.

**e. Sub-contracting**

Service Providers who want to claim preference points will have to comply fully with regulations 12(8) and 12(9) of the Preferential Procurement Regulations, 2017 with regard to sub-contracting:

#### Regulation 6(5)

A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.

#### Regulation 12(3)

A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.

#### **f. Proof of Existence: Joint Ventures and/or Sub-Contracting**

Service Providers must submit concrete proof of the existence of joint ventures and/or sub-contracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or sub-contracting arrangement.

The joint venture and/or sub-contracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or sub-contracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or sub-contracting arrangement.

#### **11.3.3 Stage 3 (80 + 20 = 100 points)**

The Price and BBBEE points will be consolidated to determine the successful Service Provider.

### **11.4 Financial Analysis**

Bidders are required to submit complete sets of audited / independently reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity. The financial statement analysis will be conducted on the shortlisted bidders. Bidder(s) must attain a satisfactory financial position.

#### **11.4.1 The annual financial statements must contain:**

- a) Income statement of Profit and Loss and Other Comprehensive Income;
- b) Statement of Financial Position (Balance Sheet);

- c) Cash Flows Statement ; and
- d) Accompanying unabridged notes for ALL of the above documents.

11.4.2 Entities which are trading for less than three (3) financial periods should provide:

- a) A letter detailing that fact, signed by a duly authorized representative of the entity; and
- b) Any other information or documentation which would provide more clarity on the financial history of the bidder.

11.4.3 In the event that the subsidiary is the bidding entity and submits the financial statements of the holding company for financial evaluation purposes, the holding company must furnish a Performance Guarantee that is signed by a duly authorized representative of the entity.

11.4.4 In the event of the bid being in the form of a Joint Venture (JV), the following is required:

- a) Annual financial statements of the JV; and
- b) A JV legal agreement detailing the percentage ownership of each entity.
- c) Unincorporated JV's must submit separate Annual Financial Statements for each party to the JV.
- d) Signed JV legal agreement.

11.4.5 SARS reserves the right to request further information with regards to the annual financial statements of a bidder at a later stage.

## **12. AGREEMENTS**

### **12.1. GENERAL CONDITIONS OF CONTRACT**

Any award made to a Service Provider under this bid is conditional, amongst others, upon –

12.1.1. The Service Providers accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which SARS is prepared to enter into a contract with the successful bidder.

12.1.2. The Service Providers submitting the General Conditions of Contract to SARS together with its bid, duly signed by an authorised representative of the Service Provider.

## **12.2. SPECIAL CONDITIONS OF THIS BID**

SARS reserves the right:

- 12.2.1. Not to award or cancel this bid at any time and shall not be bound to accept the lowest or any bid.
- 12.2.2. To negotiate with one or more preferred Service Provider(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other Service Provider(s) who has not been awarded the status of the preferred Service Provider(s).
- 12.2.3. To accept part of a bid rather than the whole bid.
- 12.2.4. To cancel and/or terminate the bid process at any stage, including after the Closing Date and/or after presentations have been made, and/or after Bids have been evaluated and/or after the preferred Service Provider(s) have been notified of their status as such.
- 12.2.5. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the Service Provider(s), whether before or after adjudication of the bid.
- 12.2.6. To correct any mistakes at any stage of the bid that may have been in the bid documents or occurred at any stage of the bid process.

## **12.3. SERVICES AGREEMENT**

- 12.3.1. Upon award, SARS and the successful Service Providers will conclude a supplementary agreement regulating the specific terms and conditions applicable to the services being procured by SARS, more or less in the format of the draft Services Agreement included in this tender pack.
- 12.3.2. SARS reserves the right to vary the proposed terms and conditions of the draft Services Agreement during the course of negotiations with a Service Provider by amending or adding thereto (including for purposes of better giving effect to the objectives in paragraph 2 above).
- 12.3.3. Service Providers are requested to:
  - 12.3.3.1. Comment on the terms and conditions set out in the Services Agreement and where necessary, make proposals to the terms and conditions;
  - 12.3.3.2. Each comment and/or amendment must be explained; and
  - 12.3.3.3. All changes and/or amendments to the Services Agreement must be in an easily identifiable colour font and tracked for ease of reference.
- 12.3.4. SARS reserves the right to accept or reject any or all amendments or additions proposed by a Service Provider if such amendments or additions are unacceptable to SARS or pose a risk to the organisation.

#### **12.4. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

SARS reserves its right to disqualify any Service Provider who either itself or any of whose members (save for such members who hold a minority interest in the Service Provider through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a fifteen percent (15%) interest in the Service Provider other than in the context of shares listed on a recognised stock exchange), directors or members of senior specialist/management, whether in respect of SARS or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- 12.4.1. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other Service Provider in respect of the subject matter of this bid;
- 12.4.2. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 12.4.3. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SARS's officers, directors, employees, advisors or other representatives;
- 12.4.4. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 12.4.5. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- 12.4.6. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 12.4.7. has in the past engaged in any matter referred to above; or
- 12.4.8. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such Service Provider, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

#### **12.5. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

The successful Service Provider should note that the terms of its bid will be incorporated in the proposed contract by reference and that SARS relies upon the bidder's bid as a material representation in making an award to a successful Service Provider and in concluding an agreement with the Service Provider.

It follows therefore that misrepresentations in a bid may give rise to service termination and a claim by SARS against the Service Provider notwithstanding the conclusion of the Services Agreement between SARS and the Service Provider for the provision of the services in question. In the event of a conflict between the Service Provider's proposal and the Services Agreement concluded between the parties, the Services Agreement will prevail.

#### **12.6. PREPARATION COSTS**

The Service Provider will bear all its costs in preparing, submitting and presenting any response or tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing SARS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the Service Providers in the preparation of their response to this bid.

#### **12.7. INDEMNITY**

If a Service Provider breaches the conditions of this bid and, as a result of that breach, SARS incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the Service Provider indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.

#### **12.8. PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

#### **12.9. LIMITATION OF LIABILITY**

A Service Provider participates in this bid process entirely at its own risk and cost. SARS shall not be liable to compensate a Service Provider on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Service Provider's participation in this bid process.

#### **12.10. TAX COMPLIANCE**

No tender shall be awarded to a Service Provider who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a successful Service Provider in the event that it is established that such Service Provider was in fact not tax compliant at the time of the award. SARS further



reserves the right to cancel a contract with a successful Service Provider in the event that such Service Provider does not remain tax compliant for the full term of the contract. The bidder will be required to submit the tax compliance status pin.

#### **12.11. NATIONAL TREASURY**

No tender shall be awarded to a Service Provider whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. SARS reserves the right to withdraw an award, or cancel a contract concluded with a Service Provider should it be established, at any time, that a Service Provider has been blacklisted with National Treasury by another government institution.

#### **12.12. GOVERNING LAW**

South African law governs this bid and the bid response process. The Service Provider agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

#### **12.13. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL**

A Service Provider is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid and in particular the provisions of paragraph 11.3.2 above. In the event that SARS allows a Service Provider to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the Service Provider and SARS will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

#### **12.14. CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's bid proposal(s) will be disclosed by any Service Provider or other person not officially involved with SARS's examination and evaluation of a bid.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a bid. This bid and any other documents supplied by SARS remain proprietary to SARS and must be promptly returned to SARS



upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, Service Providers must secure SARS's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating bids or appointing a Service Provider will be disclosed to a Service Provider or any other person not officially involved with such process.

#### **12.15. SARS PROPRIETARY INFORMATION**

Service Provider will on their bid covering letter make declaration that they did not have access to any SARS proprietary information or any other matter that may have unfairly placed that Service Provider in a preferential position in relation to any of the other Service Providers.

#### **13. ANNEXURE A1 – COMPLIANCE CHECKLIST**

Service Provider must complete the technical compliance checklist as outlined in Annexure A2.

#### **14. ANNEXURE B – PRICING SCHEDULE**

See attached Pricing Template

#### **15. ANNEXURE C – DRAFT SERVICE LEVEL AGREEMENT**

See attached draft SLA