

## PART A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DPSA**

BID NUMBER:	DPSA004/2024	CLOSING DATE: 4 APRIL 2025	CLOSING TIME: 11:00
DESCRIPTION	APPOINTMENT OF THE PANEL OF HEALTH RISK MANAGERS FOR PURPOSES OF THE IMPLEMENTATION OF THE POLICY AND PROCEDURE ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR) IN THE PUBLIC SERVICE.		
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>			
Batho Pele House,			
546 Edmond Street,			
(C/O Hamilton Street),			
Arcadia			
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>		<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>	
CONTACT PERSON	Lorraine Masenya / Mmapula Kotsokoane	CONTACT PERSON	Mr. D van der Westhuizen/ Ms. F Tabane
TELEPHONE NUMBER	012 336 1126/336 1389	TELEPHONE NUMBER	
FACSIMILE NUMBER	N/A	FACSIMILE NUMBER	N/A
E-MAIL ADDRESS		E-MAIL ADDRESS	<a href="mailto:pilirtender@dpsa.gov.za">pilirtender@dpsa.gov.za</a>
<b>SUPPLIER INFORMATION</b>			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No: MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>			

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

**NB: THERE WILL BE A COMPULSORY BRIEFING SESSION ON THE 25 MARCH 2025 @ 10H00; 3RD FLOOR BOARDROOM; AUDITORIUM; BATHO PELE HOUSE; 546 EDMOND STREET ;( C/O HAMILTON STREET); ARCADIA.**

**KINDLY REGISTER YOUR PROPOSALS /BIDS IN THE SUBMISSION REGISTER AT DPSA RECEPTION.**

**PRICING SCHEDULE**  
**(Professional Services)**

NAME OF BIDDER: .....	BID NO.: <b><u>DPSA004/2024</u></b>
CLOSING TIME <b><u>11:00 ON 4 APRIL 2025</u></b>	

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED TAX</u>
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**APPOINTMENT OF THE PANEL OF HEALTH RISK MANAGERS FOR PURPOSES OF THE IMPLEMENTATION OF THE POLICY AND PROCEDURE ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR) IN THE PUBLIC SERVICE.**

Services must be quoted in accordance with the attached terms of reference.

Total cost of the assignment (R inclusive VAT) R.....

**NB: Bidders are also advised to indicate a total cost breakdown for this assignment.**

The financial proposal for this assignment should cover all assignment activities and outputs enumerated above.

2. Period required for commencement with project after acceptance of bid .....
3. Are the rates quoted firm for the full period? YES/NO
4. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.  
.....  
.....  
.....

Any enquiries regarding bidding procedures may be directed to the

**DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION**

For SCM related enquiries – Lorraine Masenya/ Mmapula Kotsokoane

[Tel:012 336 1126/1389](tel:01233611261389)

Or for technical information – Mr. D van der Westhuizen/ Ms. F Tabane

At : [pilirtender@dpsa.gov.za](mailto:pilirtender@dpsa.gov.za)

**PLEASE REFER TO THE ATTACHED TERMS OF REFERENCE FOR MORE INFORMATION.**

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....  
Signature Date

.....  
Position Name of bidder

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

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

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

### 1. GENERAL CONDITIONS

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

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

#### 1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 90/10 preference point system.

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

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

#### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
<b>PRICE</b>	<b>90</b>
<b>SPECIFIC GOALS</b>	<b>10</b>
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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

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

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

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- (f) **Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract
- (g) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (h) **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- (i) **“Youth”** means persons between the ages of 14 and 35 in terms of the National Youth Development Agency Act, 2008. For the purpose of this bid the date to be used for determination of age will be the closing date of the bid and in a case where the closing date of a bid has been extended, the original (first) closing date shall be used for the purpose of determining age.
- (j) **“disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- (k) **“Local Content and Production”** means locally produced and manufactured products within the borders of South Africa in support of the Reconstruction Development Programme.

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

### 3.1.1 THE 90/10 PREFERENCE POINT SYSTEM

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

**90/10**

$$Ps = 90 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

**90/10**

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point

system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)
Black Equity Ownership	4	
Women Equity Ownership	2	
Persons living with disability Equity Ownership	2	
Youth Equity Ownership	2	

Refer to the Preference Point Matrix attached for ease of claiming points for the specific goals for this tender.

**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender,

qualifies the company/ firm for the preference(s) shown and I acknowledge that:

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

.....	
<b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....

**PREFERENCE POINT MATRIX (90/10)**

<b>SPECIFIC GOALS</b>	<b>POINTS OUT OF 10</b>	<b>REQUIRED PROOF</b>
<b>Black Equity Ownership</b>	<b>Maximum = 4</b>	<p><i>One or more of the following is to be provided for the verification of points claimed by the tenderer:</i></p> <ul style="list-style-type: none"> <li>• Company Registration Certificate (CIPC).</li> <li>• Company Shareholders Certificate.</li> <li>• Certified Identification Documentation of company director/s.</li> <li>• Detailed Central Supplier Database Report (CSD).</li> <li>• B-BBEE Certificate / B-BBEE Sworn Affidavit of the tendering company.</li> <li>• Consolidated B-BBEE Certificate if the tendering company is a Consortium, Joint Venture or Trust issued by a verification agency accredited by the South African Accreditation Body.</li> <li>• Agreement for a Consortium, Joint Venture or Trust.</li> <li>• Declaration from a registered medical practitioner in support of Persons Living with Disabilities.</li> </ul>
100% Black ownership	4 Points	
>51% Black ownership	2 Points	
>0<51% Black ownership	1 Point	
0% Black Ownership	0 Points	
<b>Women Equity Ownership</b>	<b>Maximum = 2</b>	
>51% ownership	2 Points	
>0<51% ownership	1 Point	
0% ownership	0 Points	
<b>Persons Living with Disabilities Equity Ownership</b>	<b>Maximum = 2</b>	
>51% ownership	2 Points	
>0<51% ownership	1 Point	
0% ownership	0 Points	
<b>Youth Equity Ownership</b>	<b>Maximum = 2</b>	
>51% ownership	2 Points	
>0<51% ownership	1 Point	
0% ownership	0 Points	



the dpsa

Department:  
Public Service and Administration  
REPUBLIC OF SOUTH AFRICA

**INFORMATION SESSION CERTIFICATE**

This is to certify that the company.....  
attended a briefing session for **DPSA004-2024** at **DPSA @ Third Floor,**  
Auditorium on **25 March 2025**.

\_\_\_\_\_  
Signed for the DPSA

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signed for the Bidder

\_\_\_\_\_  
Date

**NB: THIS CERTIFICATE MUST BE SIGNED BY BOTH PARTIES AND  
MUST FORM PART OF THE BID DOCUMENT**



**the dpsa**

Department:  
Public Service and Administration  
REPUBLIC OF SOUTH AFRICA

**THE DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION**

**BID CHECK LIST**

<b>Have you submitted a proof of registration on the Central Supplier Database (CSD) with National Treasury?</b>	<b>YES</b>	<b>NO</b>
<b>In case of consortium, have all parties to the consortium/joint venture submitted a valid Tax Clearance Certificate?</b> (Failure to submit a valid Tax Clearance Certificate for each party of the consortium/joint venture WILL result in the invalidation of your bid)	<b>YES</b>	<b>NO</b>
<b>Is the SBD 6.1 form fully completed and signed by the duly authorized person?</b> (Failure to fully sign the SBD 6.1 will result in the invalidation of your bid)	<b>YES</b>	<b>NO</b>
<b>Are the following forms fully completed and signed?</b>  <b>1. SBD 1</b> <b>2. SBD 3.3</b> <b>3. Declaration of Interest (SBD 4)</b> <b>4. SBD 6.1</b> <b>5. Information session certificate</b>	<b>YES</b>	<b>NO</b>

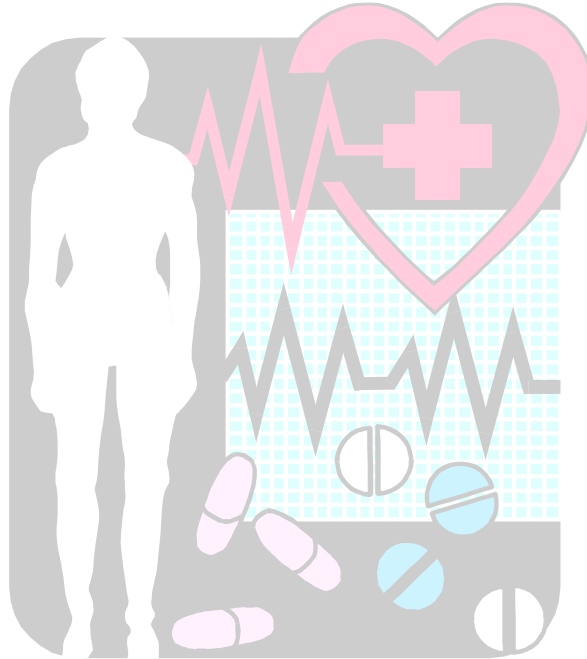
.....  
**Signature**

.....  
**Date:**



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**Department of Public Service and Administration  
(the DPSA)  
Request for Proposals**



**Appointment of the Panel of Health Risk Managers for  
purposes of the implementation of the Policy and Procedure on  
Incapacity Leave and Ill-Health Retirement (PILIR) in the Public  
Service**

**March 2025**

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## **ABBREVIATIONS**

BAC: Bid Adjudicating Committee

BEC: Bid Evaluation Committee

DPSA: Department of Public Service and Administration

HOD: Head of Department

HRM: Health Risk Manager

PFMA: Public Finance Management Act

PILIR: Policy and Procedure on Incapacity Leave and Ill-Health Retirement

RFP: Request for Proposal



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# The Department of Public Service and Administration (the DPSA)

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## Request for Proposals:

### Appointment of the Panel of Health Risk Managers for purposes of the implementation of the Policy and Procedure on Incapacity Leave and Ill-Health Retirement (PILIR) in the Public Service

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#### **PART A: SPECIAL BID REQUIREMENTS: NATURE AND EXTENT OF SERVICE REQUIRED**

##### **1. CONTRACT OBJECTIVES**

- 1.1. In contracting with the service provider(s) pursuant to this RFP, the DPSA seeks to accomplish the following major objectives:
  - 1.1.1. To appoint a Panel of Health Risk Managers from service providers who has been in operation for a period of 3 or more years.
  - 1.1.2. Procure high caliber professional medical knowledge and skills specializing in occupational health to assess and advise the relevant Heads of Department on applications for temporary incapacity leave and ill-health retirement, within specified timeframes, (with due consideration to the guidelines in certain high incidence illnesses), to enable the Heads of Department to efficiently and effectively take decisions regarding such applications.
  - 1.1.3. Procure and establish a Panel of Health Risk Managers from which an individual department could contract a Health Risk Manager with due consideration to time and cost efficiency, with effect from 1 July 2025. The contracts in both instances will be for a period of 30 months.
  - 1.1.4. Procure the services, systems and the infrastructure for handling-
    - 1.1.4.1. volumes of application forms;
    - 1.1.4.2. referrals to assessors and other health professionals for further opinions;
    - 1.1.4.3. communication and interaction with the relevant National and Provincial Departments directly; and



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- 1.1.4.4. the systems to maintain and explore data and link it to general Government databases such as PERSAL.
  - 1.1.5. To attend and actively participate in the Health Risk Managers Forum, the Provincial PILIR Champions Forum, and the National Department PILIR Champions Forum, all convened by the DPSA, as well as in Steering Committee meetings with National and/or Provincial Departments.
  - 1.1.6. To procure advisory assistance, as well as assistance during legal proceedings and arbitration hearings, etc. to the HOD as and when necessary.
  - 1.1.7. Ensure regular reporting to the DPSA, and the HOD's, as required.
  - 1.1.8. Ensure that the Health Risk Managers appointed to the panel achieve the service levels as defined in terms of this RFP and the ensuing contract and service level agreements.
  - 1.1.9. Ensure document management, data security and confidentiality of individual employees' information is maintained.
  - 1.1.10. Ensure that service providers appointed in a Provincial Administration establish and maintain an office in the province in which they have been appointed.

## 2. BACKGROUND

- 2.1. The Public Service as an employer is obliged to investigate applications for temporary incapacity leave (after normal sick leave of 36 days is exhausted in a three (3) year sick leave cycle) and ill-health retirements. The Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR) has been introduced to support the Employer in discharging its above-mentioned obligations. PILIR was implemented in 2006 in all Government departments in a centralised approach to incubate the policy and manage identified risks. The DPSA was central to this process.
- 2.2. PILIR was decentralised to departments with effect from 1 April 2009. The rationale for decentralisation was to devolve the centralised responsibilities that should be traditionally located in departments, from the DPSA to departments, i.e. the contracting of Health Risk Managers (HRM's) to render services required in terms of PILIR, the budgeting and payment for the expenditure.
  - 2.2.1. The decentralisation model adopted is underpinned by the legal roles and responsibilities of:
    - 2.2.1.1. the Minister for the Public Service and Administration to determine the conditions of service of employees;
    - 2.2.1.2. the DPSA as the organ of state which is central to the execution of the Minister's legal responsibilities in relation to policies regulating the human resource management and development, compensation and conditions of services; and
    - 2.2.1.3. the Heads of Department (HOD's) supported by their departments to



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implement, apply and execute policies and procedures that emanate from the Public Service Act and, if applicable, other employment legislation.

- 2.2.2. The HODs who, as accounting officers, in terms of the Public Finance Management Act (PFMA), are entrusted with a variety of responsibilities related to the financial management and related matters of their departments.
- 2.3. With due consideration to economies of scale and uniformity the Public Service has been divided in 2012 into 13 identified implementation areas, i.e. the Eastern Cape Provincial Administration, Free State Provincial Administration, Gauteng Provincial Administration, KwaZulu-Natal Provincial Administration, Limpopo Provincial Administration, Mpumalanga Provincial Administration, Northern Cape Provincial Administration, North West Provincial Administration, Western Cape Provincial Administration, and Clusters 1 to 4 of the National Departments. Refer to Annexure A to this RFP for details on the National Departments and Government Components. **Please note that the Clusters of National Departments are subject to change in the light of the National Macro Organisation of Government (NMOG) currently in process.**
- 2.4. In summary, the decentralisation model entails the appointment of a Panel of Health Risk Managers by the DPSA through a single bid process. This process culminates in a panel contract established between the DPSA and the selected Health Risk Managers. Subsequently, departments within the designated implementation areas engage in a request-for-proposal process to select a Health Risk Manager from the Panel of Health Risk Managers.
- 2.5. Each implementation area will issue a detailed Request for Proposals (RFP) to the service providers appointed to the Panel. This document will request proposals outlining how each provider intends to deliver the required services in the respective implementation area. The proposals must include the following components:
- 2.5.1. Service Delivery Approach: Outline the specific approach the provider will use to meet the implementation area's needs. This includes the processes, tools, and timelines they will use to ensure efficient service delivery.
- 2.5.2. Capacity and Resources: The provider should demonstrate that they have the necessary resources, staff, technology, and operational systems to manage the implementation area's workload. This includes scalability in handling potential increases in service demand.
- 2.5.3. Experience and Expertise: The provider should provide evidence of past performance in similar environments, focusing on relevance to the implementation area's specific requirements. This includes case studies, success stories, and any niche expertise that fits the implementation area's needs.
- 2.5.4. Quality Assurance: Processes to ensure the delivery of high-quality services, including key performance indicators (KPIs) for tracking progress and performance in the implementation area. Detail the mechanisms for tracking service performance, including regular reporting, quality checks, and adherence to service level agreements.



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- 2.5.5. Risk Management: Identification of potential risks within the implementation area and contingency strategies for addressing them. Providers should identify potential risks and outline how they will mitigate these risks to ensure uninterrupted service delivery.
  - 2.5.6. Value for Money: A clear explanation of how the provider will offer value to the implementation area in terms of expertise, service quality, and expected outcomes.
  - 2.6. The Office of the Premier (for provinces) or the Anchor Department (for clusters of national departments) must establish the Selection Committee to assess the proposals received. This committee will consist of representatives from each department in the implementation area, each with the authority to make decisions on behalf of their department. The committee will be chaired by the Office of the Premier or the Anchor Department.
  - 2.7. A quorum for the Selection Committee meeting shall consist of 50% plus one of its members. In the case of provinces, the quorum must include representation from either the Department of Education or the Department of Health.
  - 2.8. The Selection Committee will evaluate each proposal based on the criteria specified in the RFP. Scoring will be objective and derived from the content of the proposals.
  - 2.9. Following the scoring process, results will be compiled to rank the providers. The provider with the highest score will be selected.

### 3. **MANAGEMENT OF SICK LEAVE AND ILL-HEALTH RETIREMENTS IN THE PUBLIC SERVICE**

#### 3.1. **CURRENT PRACTICES**

##### 3.1.1. **Sick Leave**

The State as employer introduced, through the collective bargaining process a new leave dispensation in July 2000. In terms of this dispensation, an employee is eligible to 36 working days sick leave within a three-year cycle. Medical certificates are required in cases where periods of sick leave are 3 days or more. However, once this 36 working days sick leave are exhausted, the employee may apply for temporary incapacity leave. A medical certificate, regardless of the period of absence, must support such an application. Approval of temporary incapacity leave is subject to an investigation (to be conducted by the employer) into the nature and extent of the incapacity and illness. The Employer may refer an employee for a second medical opinion.

##### 3.1.2. **Ill-Health Retirement**

The Employer may, on the basis of medical evidence, consider the discharge of an employee on account of ill-health. To this end, the Employer may require an employee to undergo a medical assessment by a registered medical practitioner.



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## 3.2. THE POLICY AND PROCEDURE ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR)

### 3.2.1. RATIONALE FOR PILIR

3.2.1.1. Prior to the development of the PILIR in 2003, several studies were undertaken in respect of the utilisation of sick leave and ill-health retirements and the management thereof in the Public Service. In each study, several findings emerged, which collectively pointed to inadequacies in the overall approach to, and actual management of, sick leave and ill-health retirement of public service employees. These studies into sick leave trends and the management of sick leave before the implementation of PILIR revealed that-

- (a) ill-health retirements are unacceptably high in certain sectors in the Public Service;
- (b) a large percentage of all applications should probably or definitely not have been granted ill-health retirement benefits;
- (c) a substantial percentage of all applications related to only temporary incapacity, most of whom could have benefited from return-to-work strategies, such as medical management of conditions, workplace adaptations, rehabilitation and/ or re-skilling;
- (d) there are inadequate procedures and controls in place to ensure consistent and objective decisions to prevent abuse of the system;
- (e) the State as employer may well lack the expertise and time to conduct a full and comprehensive investigation as required;
- (f) the State as employer may lack the expertise to judge whether an attending medical practitioner's certification of sick leave is justified;
- (g) there is a lack of consistency between Departments;
- (h) medical information substantiating applications varies considerably. Job specific information to assess the limitations and the impact an employee's medical condition places on his/her actual work capacity, is often lacking;
- (i) departments repeatedly use the same medical specialists or health professionals to report on different employees' health conditions and in the process compromise objectivity and specificity;
- (j) optimal medical treatment, disease management and rehabilitation are hardly ever investigated and there is no evidence that any attempts were made to comply with labour legislation and employment equity requirements;



- (k) the reasons for submitting an application are not only related to ill-health, but also other reasons, such as retrenchment;
- (l) the time delay between the onset of incapacity and payment of pension benefits, where applicable, results in hardship for the genuinely incapacitated member;
- (m) many recipients of benefits return to the job market within the Public Service and elsewhere;
- (n) temporary incapacity leave is utilised to postpone the effecting of measures to address other reasons for poor work performance; and
- (o) temporary incapacity leave is granted to delay discharge from service based on ill-health even where such discharge would be warranted.

3.2.1.2. The policy provides a balance between managing the abuse of benefits and addressing positively the interests of employees who need these additional benefits and/or ill-health retirement.

3.2.1.3. PILIR is a mechanism to give effect to and discharge of the employer's responsibility/obligations imposed by legislation in a uniform and scientific manner.

### 3.2.2. Key Features of PILIR

3.2.2.1. Some of the features of the policy are the following. (A copy of PILIR can be accessed at [www.dpsa.gov.za/dpsa2g/documents/cos/2021/Policy%20and%20Procedure%20on%20Incapacity%20Leave%20and%20Ill-health%20Retirement%20August%202021.pdf](http://www.dpsa.gov.za/dpsa2g/documents/cos/2021/Policy%20and%20Procedure%20on%20Incapacity%20Leave%20and%20Ill-health%20Retirement%20August%202021.pdf)):

- (a) This policy will apply to all employees appointed in terms of the Public Service Act, 1994. Where persons employed in the services or state education institutions are not excluded from the provisions of PILIR, those provisions apply in so far as they are not contrary to the laws governing their employment.
- (b) The policy takes into consideration and supports the current leave dispensation as contained in the Determination and Directive on Leave of Absence in the Public Service ([www.dpsa.gov.za/dpsa2g/documents/cos/2021/Determination%20and%20Directive%20on%20Leave%20of%20Absence%20August%202021.pdf](http://www.dpsa.gov.za/dpsa2g/documents/cos/2021/Determination%20and%20Directive%20on%20Leave%20of%20Absence%20August%202021.pdf)), read together with PSCBC Resolution 7 of 2000 ([www.dpsa.gov.za/dpsa2g/documents/pscbc/2000/07.PDF](http://www.dpsa.gov.za/dpsa2g/documents/pscbc/2000/07.PDF)), as amended by PSCBC Resolutions 5 of 2001 ([www.dpsa.gov.za/dpsa2g/documents/pscbc/2001/Resolution5of2001\(Res7of2000ConciliationAgree\).pdf](http://www.dpsa.gov.za/dpsa2g/documents/pscbc/2001/Resolution5of2001(Res7of2000ConciliationAgree).pdf)), , 15 of 2002 ([www.dpsa.gov.za/dpsa2g/documents/pscbc/2002/Resolution\\_15](http://www.dpsa.gov.za/dpsa2g/documents/pscbc/2002/Resolution_15)



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[of 2002\(Amendment to Res 5 of 01 Leave Matters\).pdf](#)) and  
1 of 2007  
([www.dpsa.gov.za/dpsa2g/documents/pscabc/2007/Res1%20of%202007\\_PSCBC.pdf](http://www.dpsa.gov.za/dpsa2g/documents/pscabc/2007/Res1%20of%202007_PSCBC.pdf)) and legal provisions contained in employment legislation, e.g. the Public Service Act, 1994, read together with the Public Service Regulations, 2016 to discharge a person on grounds of ill-health.

- (c) The role players in the structures and processes envisaged in the policy are the DPSA, Departments, employees and the Health Risk Manager. The Health Risk Manager is an entity of independent multi-disciplinary medical experts, specializing in occupational health. The Health Risk Manager will be appointed in terms of this RFP to the Panel of Health Risk Managers by the DPSA and contracted individually by Departments. The Health Risk Manager will assess and provide advice to the Employer regarding applications for incapacity leave and ill-health retirements.
- (d) The objective of this policy is to set up structures and processes, which will ensure-
  - (i.) intervention and management of incapacity leave in the workplace to accommodate temporary or permanently incapacitated employees; and
  - (ii.) opportunities for rehabilitation, re-skilling, re-alignment and retirement, where applicable, of temporary or permanently incapacitated employees are identified for the Employer's further attention.
- (e) The mission of the PILIR is to-
  - (i.) adopt a holistic approach to health risk management, by seeking synergies with wellness and disease management programmes provided by members' medical schemes and by implementing sick leave management as well as rehabilitation and re-skilling structures in conjunction with health risk management;
  - (ii.) prevent abuse of sick leave by managing incapacity or ill-health as far as possible;
  - (iii.) adopt a scientific approach to health risk management based on sound medical, actuarial and legal principles;
  - (iv.) involve the various stakeholders in the health risk management processes and structures;
  - (v.) implement health risk management that is consistent, fair and objective; and



- (vi.) support health risk management that is cost effective and financially sound.

3.2.2.2. PILIR generally assists Departments in the professional investigation and management of incapacity leave and ill-health retirement applications. It will also assist Departments in the application of the current sick leave dispensation and the management and investigation of potential ill-health retirements.

3.2.2.3. PILIR provides assessment processes for-

- (a) a short period of temporary incapacity leave if the employee is absent for not longer than 29 working days per occasion
- (b) a long period of incapacity leave if the employee is absent for 30 working days or more per occasion, which will be subject to a primary assessment and where necessary a secondary assessment; and
- (c) ill-health retirement applications, which will be a full assessment process.

3.2.2.4. PILIR also provides for a shortened ill-health retirement process in the event where the Health Risk Manager advises, following the primary and secondary assessment processes, the ill-health retirement of an employee.

3.2.2.5. Application forms for temporary incapacity leave are prescribed in terms of PILIR. These forms are multi-functional in that it will e.g. capture decisions by the Employer and referrals to the Health Risk Manager.

3.2.2.6. The policy contains mechanisms to deal with differences between the Employer and Employee, as well as differences between the Employer and the Health Risk Manager.

#### 4. SERVICES REQUIRED FROM SERVICE PROVIDERS

##### 4.1. Expert Services Required by the Health Risk Managers appointed to the Panel of Health Risk Managers in Relation to the Application of PILIR

###### 4.1.1. Short Periods of Temporary Incapacity leave (i.e. 1-29 days)

It will be required from the service provider, within the parameters of the *PILIR* to-

- (a) assess applications for short periods of temporary incapacity leave, which should include scrutiny of all relevant medical evidence and verification of information with the treating practitioner;
- (b) provide advice to the relevant Employer; and



- (c) categorise the incapacity leave according to the categories prescribed in the above-mentioned policy.

#### 4.1.2. Long Periods of Temporary Incapacity Leave (i.e. 30 days and more)

It will be required from the service provider, within the parameters of the PILIR to-

- (a) subject applications for long periods of temporary incapacity leave to a primary assessment and, where applicable, a secondary assessment as contemplated in the PILIR;
- (b) provide advice to the relevant Employer; and
- (c) categorise the incapacity leave according to the categories prescribed in the above-mentioned policy.

#### 4.1.3. Ill-Health Retirements

It will be required from the service provider, within the parameters of the PILIR to-

- (a) subject applications for ill-health retirements to a full assessment process as contemplated in the above-mentioned policy; and
- (b) provide advice to the relevant Employer.

#### 4.1.4. Turn Around Times

Service providers shall adhere to the turnaround times outlined in-

- (a) Annexure B to this RFP in respect of short periods of temporary incapacity leave;
- (b) Annexure C to this RFP in respect of long periods of temporary incapacity leave; and
- (c) Annexure D to this RFP in respect of ill-health retirements.

#### 4.1.5. IT Infrastructure

- (a) The service providers are required to establish and maintain a database for purposes of-
  - i) monitoring and tracking case flow/work progress; and
  - ii) the reporting requirements in this RFP. Microsoft Office software applications should be utilised to enable the DPSA and Departments to access reports electronically.



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#### 4.1.6. Document Management

For this purpose document management refers to a document management system to manage documents and/or their contents in various formats according to business rules through its life cycle from inception to disposal. The service provider must comply with the conditions for legally processing personal information (Protection of Personal Information Act, 2013).

##### (a) Document Management Enablers

Noting that the Public Service's electronic infrastructures are diverse in nature, i.e. varying from sophisticated to non-existent. It is therefore expected that the service provider should accept and where necessary have the following document management enablers intact to facilitate the process:

- (i.) Courier services
- (ii.) Mail services
- (iii.) Fax facilities
- (iv.) Web-based facilities
- (v.) Email
- (vi.) Scanning

##### (b) Electronic Document Management

Electronic document management involves the hardware and software supporting the document management process. It is required from the service provider to maintain an electronic document management system, since it will be necessary to maintain the database as required in the policy, as well as for extracting reports for reporting purposes, etc.

##### (c) Central Depository

In order for the Departments to maintain their personnel records for auditing purposes as required by the Auditor General, it is required that the service provider put systems in place ensuring that original documents which have been dispatched to the service provider, are returned to the Departments. It is required that the service provider maintain a depository system to enable it to retrieve an employee's previous applications/records for consideration in subsequent applications and for auditing purposes. The safekeeping of records must comply with the requirements contained in the Minimum Information Security Standards applicable to confidential records and in accordance



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with the Protection of Personal Information Act (POPIA). In this regard, the following requirements apply:

- (i) Doors of all offices in which classified documents are kept must at least be fitted with security locks.
- (ii) There must be proper control over access to and effective control over movement within any building or part of a building in which classified information is handled.
- (iii) Effective control must be instituted over access to security areas in buildings such as cryptographic and computer centers, the registry and other areas identified as sensitive.
- (iv) Where necessary doors, windows, fanlights, passages, stairs, etc. giving access to the room or division should be equipped with locks, bolts, iron bars or metal blinds of adequate strength.
- (v) All the doors of any room in which classified material is dealt with or handled must be fitted with security locks and must be locked when it is vacated, even for a short period, by the person(s) using the room.
- (vi) If the staff member(s) leave the room for a longer period, e.g. during lunch hour, all classified material must be locked away in a safe or metal cabinet which is of adequate strength and equipped with a security lock.
- (vii) When classified documents are not in use, it must be stored in a reinforced filing cabinet.
- (viii) The keys to any building, part of a building, room, strong room, safe, cabinet or any other place where classified material is kept must be looked after with the utmost care and effective key control must be instituted.
- (ix) The keys to safes and strong rooms must be kept in safe custody.
- (x) If a strong room or safe is fitted with a combination lock, the combination must, apart from being reset when it is purchased, be changed at least once every three months
- (xi) Access to any controlled building, part of a building or room where classified information is handled/stored outside normal office hours should be prohibited for persons who do not work there.

#### 4.1.7. **Back-Up/Archiving**

Reporting and analyses will be dependent on data integrity. It is therefore required that the service provider put adequate systems in place to preserve data and prevent data loss.



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#### 4.1.8. **Data**

- (a) All personal information and/or data related to employees gathered and stored by the service provider in the execution of its contractual obligations must be in keeping with the requirements of the Protection of Personal Information Act, Act 4 of 2013 (POPI Act).
- (b) The sick leave and ill-health retirement data (including brochures on the policy and procedure) that will be under the control of the service provider shall remain the property of the DPSA and the Departments, and the service provider shall not obtain any rights to such data.
- (c) The said data in possession of the service provider or to which the service provider may have access during its contract with the Public Service, may only be used in the performance of the services required.
- (d) It is required that the service provider shall take reasonable precautions to preserve the integrity of the data and to prevent corruption, leaking, hacking or loss of such data.
- (e) If the said data is corrupted, lost, or sufficiently degraded to be unusable, due to any act or omission by the service provider, it must immediately take all steps to restore or procure the restoration of the relevant data. If the corruption, loss or degradation of the data is due to the fault of the service provider, it will be liable for all costs and damages associated with such corruption, loss, degradation and restoration.

#### 4.1.9. **Data Security**

- (a) Data related to the Public Service may only be accessed by authorised employees or contracted persons of the DPSA and Departments, as well as the service provider in accordance with the Protection of Personal Information Act (POPIA).
- (b) It is therefore required that the service provider takes all steps to ensure that the Public Service's data is not accessible to any party who is not authorised by either the DPSA and Departments or the service provider to access such data.

#### 4.1.10. **Audit**

- (a) It is expected that the service provider applies normal auditing practices.
- (b) It is required that the service provider always maintain full and accurate records (audit trails) of all services provided and shall retain such records for the currency of its contract with the DPSA. The latter records remain the property of the DPSA and should be returned on termination of this contract.



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- (c) The DPSA reserves the right to appoint either its own auditors or agents to audit the service provider if it suspects fraudulent practices or the application of incorrect procedures, poor services or the like.

#### 4.1.11. Assessors

(a) **Accreditation and Performance Standards**

- (i.) It will be required from the selected service provider to utilise a network of assessors, e.g. occupational therapists, doctors, etc. to ensure that the DPSA and the Employer enjoy quality and consistent services from the service provider. It is furthermore required that the service provider ensures that the assessors so utilised-
1. are qualified and duly registered in terms of the applicable legislation and proof of such registration must be submitted to the DPSA annually; and
  2. maintain specified performance standards.
- (ii.) It is required that the service provider adopts and maintains policies which provide for-
1. quality and performance standards to which assessors should adhere to; and
  2. a formal accreditation process during contracting of assessors to adhere to the required quality and performance standards.

(b) **Coverage**

With due consideration to the geographic position of Provincial Administrations, and the fact that National Departments have offices throughout the country, it is required that the service provider, as far as possible, utilise assessors who are available in at least all the major centres, or in close proximity of the relevant employee's normal place of work.



#### 4.1.12. Fraudulent or Unlawful Activity (“Fraud”)

Fraud in this context has different dimensions, including, but not limited to fraud on the side of the selected service provider, fraud around medical certificates presented by employees, and fraud by medical practitioners.

- (i.) **Fraud on the side of the selected service provider:** Fraud on the side of the service provider (or its staff) will not be tolerated. The DPSA (including its staff, auditors or authorised agents) reserves the right to gain immediate access to the premises of the selected service provider if there is reason to believe that the service provider (or its staff) is involved in any fraudulent or unlawful activity. Furthermore, if it has been established and confirmed that the selected service provider (or its staff) is involved in such activities the DPSA will immediately terminate the selected service provider’s contract and all costs incurred by the DPSA for the above intervention will be recovered from the Health Risk Manager.
- (ii.) **Fraud around medical certificates presented by employees and fraud by medical practitioners:** It is required that the selected service provider has systems in place to take the necessary steps, if such activities occur.

#### 4.1.13. Help Desk/Call Centre

- (a) The service provider is required to set up and maintain a help desk/call centre function, to provide to practitioners and managers who are responsible for the processing and approval of sick leave and ill-health retirements-
  - (i.) assistance and advice regarding the referral of cases to the service provider; and
  - (ii.) a mechanism through which they can make follow-ups on cases referred for assessments.
- (b) The service provider must ensure that the help desk/call centre is staffed with trained personnel.

#### 4.1.14. Project Management

The DPSA requires that the service provider actively participates in project management during the life of the agreements pursuant to this RFP. The DPSA will establish the necessary project management mechanisms, inclusive of the reporting schedules and formats stipulated in the Service Level Agreements. In addition, the service provider will be responsible for the assembly, assimilation and presentation of key administration system issues to the DPSA, e.g. changes or additions required to the policy and/or procedure.



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#### 4.1.15. Staffing

- (a) The service provider shall provide the personnel necessary to render the services and service levels specified in the proposal, contained in this RFP, and shall ensure that it possesses or has access to knowledge and sufficient expertise and staff to enable it to provide the required services in accordance with the agreed service levels.
- (b) Service providers are to submit with their proposal the Curricula Vitae and proof of registration with the applicable professional body, if applicable, of **all** personnel to be allocated to the project.

#### 4.1.16. Service Level Reporting

- (a) The service provider will be required to agree to achieve specific service levels, which will be equal to or exceed the suggested service levels. These include, but are not limited to, assessments of temporary incapacity leave and ill-health retirement applications, turnaround times and others. Specific financial or other penalties and an arbitration procedure will be incorporated into the service level agreement.
- (b) The service provider shall implement the necessary measures, monitoring tools and procedures required in measuring and reporting the service provider's performance of services against the applicable performance standards on a quarterly basis. Such measurement and monitoring shall permit reporting at a level of detail sufficient to verify compliance with the performance standards and shall be subject to audit by the DPSA and/or its appointed contract manager or auditors. The service provider shall provide the DPSA with the information and access to such tools and procedures upon request, for purposes of verification. Furthermore, the service provider shall, at the request of the DPSA, provide a duplicate of any database used to capture and report on service levels so that appropriate provisions relating to the provision of service reports and the time periods relating thereto will be incorporated into any agreement concluded pursuant to this RFP.
- (c) The quarterly written reports must be provided to the DPSA within 21 working days of the last day of the preceding quarter. For this purpose, the quarters that shall apply are January to March; April to June; July to September and October to December. The current format is attached at Annexure E to this RFP. Departments may require similar reports in terms of their contracts.
- (d) Reports must be made available in electronic format compliant with Microsoft Word.
- (e) The service provider will be required to capture all relevant data related to their services on the designated system developed and provided by the DPSA. This system is integral to the management, tracking, and



reporting of service delivery, ensuring alignment with the requirements of the contract. Service providers must familiarize themselves with the system, adhere to its operational protocols, and ensure timely and accurate data entry. The DPSA will provide access to the system, as well as the necessary training and support to enable service providers to fulfill this requirement effectively. Non-compliance with data capture obligations may result in penalties as stipulated in the service level agreement.

#### **4.2. Implementation**

- 4.2.1. It is expected that the service provider will acquaint itself with the organisation and operation of the implementation area and the departments within the particular implementation area.
- 4.2.2. Noting that current processes related to the assessment of incapacity leave and ill-health retirement applications cannot be interrupted, the service provider is required to submit a high-level implementation plan. The plan should indicate all the activities, tasks to be undertaken, resources required and time frames. The implementation plan must also outline a handover process if a different service provider currently performs the consultancy service.

#### **4.3. Transfer of skills**

- 4.3.1. It is known that the Health Risk Industry utilises skills that are not commonly available in the labour market. It, however, also employs skills that are commonly available in the labour market.
- 4.3.2. The service provider must demonstrate which opportunities it would utilise to transfer and/or enhance skills it could transfer, the mode in which the transfer of skills will take place and the target audience.

## **PART B: GENERAL BID SUBMISSION CONDITIONS, INFORMATION AND INSTRUCTIONS**

Service providers must take note of the following conditions and instructions

### **1. FRAUD AND CORRUPTION**

Service providers are to take note of the implications of contravening the Prevention and Combating of Corrupt Activities Act, Act No 12 of 2004 and any other Act applicable.

### **2. ISSUER**

The Department of Public Service and Administration issues this RFP.

### **3. BRIEFING SESSION**

A compulsory briefing session will be held at the DPSA Auditorium, Batho Pele House, 546 Edmond Street, Arcadia, Pretoria, on the date and time specified in the Bid Documents.



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#### 4. QUESTIONS FOR CLARIFICATION

- 4.1. Any requests for clarification after the briefing session must be submitted in writing. Service providers may submit written questions regarding the interpretation of any part of the Terms of Reference or any other aspect of the bid no later than midnight, two (2) days after the stipulated date reflected in the Bid Document. A consolidated response to all questions will be provided via email to all service providers within three (3) working days from the submission deadline.
- 4.2. Questions of clarity should be forwarded to the following e-mail address:

**E-mail address: [pilirtender@dpsa.gov.za](mailto:pilirtender@dpsa.gov.za).**

#### 5. PREPARATION OF BIDS

- 5.1. As indicated, the intention is to appoint the Panel of Health Risk Managers, from which Departments could select and contract a Health Risk Manager to render the consultancy service described in this RFP.
- 5.2. A service provider submits a single response/proposal to the RFP. The service provider must in this response respond fully to the request for information noted in the RFP. As a minimum, each item must be responded to as prescribed. (Also, refer to the framework provided for responses elsewhere in the RFP). A service provider may provide additional information on relevant items. Failure by the service provider to respond to any one or more of the sections may result in exclusion from any further evaluation. Marketing material is not regarded as a response to the proposal or part thereof.

#### 6. PROVISIONS RELATING TO SUBCONTRACTORS AND CONSORTIUMS

- 6.1. A service provider whose proposals are accepted will be required to assume responsibility for all services required in terms of this RFP, whether or not such services are sub-contracted to a third party, it being specifically recorded that any agreements concluded pursuant to this RFP will be concluded only with the successful service provider. Further, the DPSA will consider the service provider whose proposals are accepted to be the sole point of contact regarding all services contemplated in this RFP, including payment of all charges resulting from the provision of such services.
- 6.2. If it is considered in a proposal submitted that any of the services (in whole or in part) contemplated in this RFP are to be subcontracted, such proposal must include the following information:
  - 6.2.1. List of all subcontractors.
  - 6.2.2. Subcontractor name and address.
  - 6.2.3. Complete description of work to be subcontracted.
  - 6.2.4. Descriptive information concerning the subcontractor's organisation.
  - 6.2.5. References of each subcontractor.



6.2.6. Last three years audited financial statements of each subcontractor.

- 6.3. The DPSA shall have the right to approve or not approve subcontractors for any portion of services required under this RFP and to request the service provider whose proposals were accepted to replace those subcontractors found to be unacceptable. The service provider, whose proposal is accepted, is responsible for adherence by the subcontractor to all provisions of any agreements concluded pursuant to this RFP. In addition, the activities performed by all subcontractors must be integrated with the operations/location of the service provider whose proposal is accepted, such that the DPSA perceives a single service entity from an operational point of view.
- 6.4. Several service providers may respond to the RFP as a consortium to provide the capabilities to address all the service requirements of the DPSA. Should this be the case, there must be a single point of contact regarding contractual matters, including payment of all charges resulting from the anticipated contract. It is further recorded that all such service providers shall be jointly and severally liable for all obligations and liabilities arising from any agreements concluded pursuant to this RFP. The proposal of a consortium must include a valid consortium agreement detailing each member's roles and responsibilities, company registration documents for each consortium member, proof of financial stability and relevant industry experience for each partner.

## **7. WITHDRAWAL OR MODIFICATION OF BIDS**

- 7.1. Any service provider submitting a proposal in response to this RFP has the right to withdraw, modify, or correct their submission after delivery, provided that a formal request, including full details of the modification or correction, is received by the DPSA at the specified address before the stipulated closing date and time for proposal submissions. Failure to submit such a request before the deadline will result in the original, unmodified bid being considered.

## **8. ACCEPTANCE/REJECTION OF BIDS**

- 8.1. The DPSA reserves the right to accept or reject, wholly or in part, any of the proposals submitted in response to this RFP within its sole discretion and having due regard to any applicable legislation or regulations.
- 8.2. The service provider whose proposal is accepted will be required to enter into an agreement with the DPSA for appointment to the Panel of Health Risk Managers. This agreement will govern the implementation, application, and maintenance of the Health Risk Management Service in individual government departments, as outlined in PILIR.
- 8.3. As individual departments will be responsible for the payment of services provided by a Health Risk Manager, the selected Health Risk Manager must enter into a separate agreement with the respective departments.
- 8.4. These agreements will govern the relationship between the parties and will contain key performance indicators and, where applicable, sanctions for non-compliance. The said agreements with the DPSA must be concluded before an individual department can enter into an agreement with the Health Risk Manager of their choice.



- 8.5. The terms and conditions of this RFP as well as the selected proposal(s) will be incorporated into the agreements as part of the contractual obligations of the successful service provider, it being specifically provided that the respective service provider will be bound by any statements and representations made in its proposal. Failure by any of the successful service providers to accept the terms and conditions contained in this RFP and the submitted proposal, or a failure by the parties to conclude the required agreements by the date stipulated will entitle the DPSA and/or individual department to cancel the agreement without prejudice to any rights or claims for damages which it may have. Neither the DPSA, nor the individual department will have any obligations whatsoever *vis-à-vis* the service provider should the award of the contract be so terminated.

## 9. PROFILE OF THE PUBLIC SERVICE

The Public Service presently has 1 408 297 employees (excluding the South African Police Services and members appointed in terms of the Defence Act in the South African Defence Force), as of 31 December 2024, in its employ. The Public Service comprises of-

- 9.1. Forty-Five (45) National Departments and Government Components, with head offices in Pretoria. Some of the National Departments have regional offices throughout South Africa. Some National Departments, e.g. the Department of International Relations and Coordination, also services the embassies and missions in several countries throughout the world.
- 9.2. Nine Provincial Administrations. Each Provincial Administration comprises several Provincial Departments, delivering services within that Province. The number of Provincial Departments varies from Province to Province, i.e. between 10 to 15 Departments. Each Provincial Department has a head office in the capital of the province and regional offices throughout the province except for a few Departments.
- 9.3. A summary sheet with previous case volumes for the respective implementation areas is attached at Annexure F to this RFP.

## 10. PRICE

- 10.1. Service providers are currently paid-

- 10.1.1. a capitation fee of R 9.91 per employee per month. This fee include but will not be limited to the assessment of applications for incapacity leave and ill-health retirement, medical referrals (up to 30% of all long incapacity leave and ill-health retirement applications, where required, in a 12 month period in respect of a Provincial Administration or Cluster of National Departments); faxing, telephone, postage, courier services, provision of systems and administrative capacity, project management, statistical input, reporting as required, access to call-centre/help desk, information data housing with respect to electronic data and paper documentation, internal auditing of data, processes and services, Health Risk Manager accommodation and personnel costs, attendance of meetings (including travel and accommodation costs) assistance in preparation of legal proceedings and hearings, the creation, follow up and submitting of invoices; and



10.1.2. R 5 003,05 (inclusive of VAT) per assessment if actual medical referrals of all long incapacity leave and ill-health applications in a cluster or a Province exceeds 30% of the total number of long incapacity leave and ill-health retirement applications received in a 12-month period in respect of that Cluster/Province.

10.2. The service provider must submit a detailed competitive pricing option(s), which improves the current price without compromising service delivery. The price shall be based solely on the proposed capitation fee per head per month, resulting in a total contract price determined by the overall number of employees in the public service over the contract duration. The issue of price is subject to negotiations.

10.3. All prices must be **inclusive of VAT**.

## **11. PREFERENTIAL POINT SYSTEM**

11.1. Bidders are requested to complete the various preference claim forms in order to claim preference points.

11.2. Only a bidder who has fully completed and signed the declaration part of the preference claim form will be considered for points scored with the provision of support documentation thereto.

11.3. Failure to capture the required points claimed and to submit the required support documentation will lead to a zero (0) for non-compliant service providers.

11.4. The points scored by a bidder will be added to the points scored for price.

11.5. The DPISA may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made regarding points claimed for specific goals.

11.6. Points scored will be rounded off to the nearest two decimals.

11.7. If two or more bids have scored equal total points, the bidder scoring the highest number of points for the specific goals will prevail. If two or more bidders are equal in all respects, the winner shall be decided by drawing lots.

11.8. A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate in terms of points claimed and any additional information in support thereto.

## **12. INCURRING OF COSTS**

Costs incurred by any party in responding to this RFP are for the responding party concerned.

## **13. PROPOSED SERVICES APPROACH**

13.1. The service provider's approach to providing the service described in this RFP must meet or exceed the requirements laid down by this RFP. Examples of the areas which will be considered as part of these criteria, include but are not limited to the following:



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- 13.1.1. Overall understanding of the service provider's health risk management services.
  - 13.1.2. Implementation planning and approach.
  - 13.1.3. Alignment of the service provider's existing standards, procedures, and operational capabilities with the requirements of the DPSA.
  - 13.1.4. Comprehensiveness and recommended approach to document management.
  - 13.1.5. Sufficiency of the service provider's infrastructure, physical and financial resources, and expertise to support the DPSA's requirements.
  - 13.1.6. The service provider's demonstrated ability to meet all turnaround times.
  - 13.1.7. The service provider's demonstrated physical and electronic security.
  - 13.1.8. The service provider's demonstrated audit standards and procedures.
  - 13.1.9. The service provider's demonstrated ability to maintain a database according to the DPSA's requirements.
  - 13.1.10. The service provider's demonstrated ability to maintain document management systems according to the DPSA's requirements.
  - 13.1.11. The service provider's demonstrated ability to develop detailed assessment reports and project reporting.
  - 13.1.12. The service provider's ability to provide an office within the provinces where services will be rendered to individual departments.

#### **14. GENERAL BUSINESS AND FINANCIAL STRENGTH**

- 14.1. Given the importance of the management of incapacity leave and ill-health retirements in the Public Service, the general business and financial strength of the service providers responding to this RFP is of critical importance. Therefore, service providers must demonstrate to the satisfaction of the DPSA its general business and financial strength. For this purpose, the service provider(s) must provide audited financial statements, including balance sheets and income statements for the past three years. The service provider(s) should describe the last three years' trends in revenues, employees, profitability and investments. The service provider(s) must also list its current outstanding contractual liabilities and obligations.
- 14.2. The successful service provider(s) should also be able to demonstrate a commitment to the development, implementation and maintenance of health risk management systems as an ongoing line of business through the last three years and staff that are directly committed to it. The length of time the service provider has been in the business of development, implementation and maintenance of health risk management systems as well as overall business experience will be considered.



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## 15. CURRENT AND PAST CUSTOMER REFERENCES

The service provider(s) must demonstrate, to the satisfaction of the DPSA, its ability to implement and maintain health risk management systems. To this end, the service provider must provide relevant information:

- signed references for both past and current implementation and maintenance of health risk management services. (see section 1.2 of the evaluation criteria).
- The size, industry and products of these customers must be described as well as the types of services provided.
- The date and duration of service for each customer should be included as well as whether the service provider was the primary contractor or subcontractor.
- Contact details of the customers
- If a subcontractor, the service provider should list whom the primary contractor was/is, and should provide information on the portion of service(s) that they were responsible for as subcontractors.
- **References that do not comply with the above paragraphs will be considered invalid.**
- **A summary of all recent reviews by its customers and should note the number and type of non-compliance with performance levels that were identified.**

## 16. SITE VISITS TO SERVICE PROVIDER'S OPERATIONS

16.1. The DPSA may conduct site visits to shortlisted service providers' operations either at the service provider's site or at current customer sites. These visits will be considered as part of the service provider's capability to provide the service levels, quality of service and operations necessary to support the DPSA's requirements.

## 17. FORMAT FOR RESPONSE TO BID

17.1. Service providers must prepare and package their bid proposals and all related documents in accordance with the following framework. A service provider's proposal must be clear, factual and to the point. Brochures and other marketing material as a response to this RFP will not be accepted. All matters contained in the RFP must be addressed. Should a service provider wish to provide additional information, the said information must be appended to the specific section of the proposal to which it pertains and/or be referred to and included in a file of annexures.

### 17.2. Service provider Background and History

17.2.1. Date that the firm was founded.

17.2.2. Historical background.

17.2.3. Revenue history of the firm.



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17.2.4. The last three years audited financial statements.

17.2.5. Services provided by the service provider.

17.2.6. Applicable CV's.

### 17.3. Health Risk Management Experience

17.3.1. Description of the Health Risk Management experience rendered to current customers.

17.3.2. List of current customers and their locations.

17.3.3. List of contacts within these customers.

17.3.4. Notation as to which customers would be available for site visits/reference details.

17.3.5. Public Sector clients.

17.3.6. Customers with geographically dispersed locations.

17.3.7. The size, industry and products of these customers must be described as well as the types of services provided.

17.3.8. The date and duration of service to each customer.

### 17.4. Service provider Capabilities

17.4.1. Description of experience in the health risk management industry.

17.4.2. Description of experiences in the Public Sector (within this context it refers to the three spheres of Government, i.e. national, provincial and local authorities (municipalities)) and the health risk management industry, both nationally and internationally (if applicable).

17.4.3. Description of current infrastructures, including, but not limited to staffing numbers.

17.4.4. Description of current employers who are presently clients of the service providers, including, but not limited to the number of employees of each of the employers.

17.4.5. Expertise and experience in implementing and maintaining health risk management systems.

17.4.6. Change management and project management skills.

17.4.7. Change management practices.

17.4.8. Project management practices.



17.4.9. Formal methodologies employed (if any).

17.4.10. Expertise in legislative and regulatory framework within which the Public Service functions, e.g. the Public Finance Management Act, the Public Service Act, the Government Employees Pension Law, etc.

#### 17.5. **General Issues**

17.5.1. Any ISO9000/9001 certifications or commitment to obtaining certifications.

17.5.2. Outstanding/current contractual obligations and liabilities.

17.5.3. Any litigation, abnormal contractual obligations and liabilities which may negatively affect the ability of the service provider to render the services attached to this RFP.

17.5.4. Investment in appropriate human resources capacity and development of current personnel to support implementation and development.

#### 17.6. **Response to the implementation and application of PILIR, as per the special bid requirements**

The primary requirement of this section of the service provider's proposal is to demonstrate that it has the necessary resources—both human and financial—to deliver and sustain health risk management services for the relevant National and Provincial Departments, as outlined in this RFP. The service provider must also indicate-

17.6.1. The procedures that it will apply to achieve the required service levels. The procedural descriptions should cover all the aspects of the service provider's responsibilities;

17.6.2. A description of staff available (assessors included) to provide the services and render support when required;

17.6.3. A description of its document management system, with due consideration of the needs identified in this RFP;

17.6.4. A description of the help desk to be offered;

17.6.5. A description of any additions or amendments to be incorporated into the DPSA contract (draft service level agreement(s)); and

17.6.6. Any physical infrastructure e.g. IT services, geographically disbursed offices, etc. to fulfill the tasks.

#### 17.7. **Response to the Implementation ability**

In this section, the service provider must provide sufficient information on its approach to the implementation task, enabling the DPSA to accurately assess its qualifications and capabilities. At a minimum, the following information should be provided:



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- 17.7.1. The ability of the service provider to commence implementation with effect from 1 July 2025.
  - 17.7.2. A complete description of the services that the service provider would label as implementation services.
  - 17.7.3. An implementation plan including detailed activities, timing and responsibilities.
  - 17.7.4. The proposed staff dedicated to the implementation process.
  - 17.7.5. A description of the service provider's experience in performing implementation-related services, i.e. previous implementations including the names and details of clients for whom these services have been performed.

## 18. SUBMITTING BIDS

- 18.1. Service providers must submit a complete response to this RFP to the DPSA, Batho Pele House, 546 Edmond Street Arcadia, Pretoria **by not later than the closing date and time reflected on SBD 1.**
- 18.2. All Standard Bidding Documents must be duly completed and signed.
- 18.3. No other distribution of proposals is to be made by the service provider. The proposal must include a statement as to the period during which the proposal remains valid. The proposals must be valid for a period of 3 months from the due date for responses to be submitted.
- 18.4. The bidder is requested to submit twenty-one (21) hard copies, consisting of one (1) original and twenty (20) copies of the proposal. Additionally, an electronic version of the functionality proposal in Microsoft Word format and the price proposal in Microsoft Excel format must be provided on a USB flash drive.
- 18.5. **NB:** Service providers must clearly indicate on the cover of each document whether it is the original version or a copy. The original version must be signed in ink. Electronic signatures will also be accepted where applicable.
- 18.6. Economy of Proposal Preparation: Each proposal should be prepared simply and economically, providing a straightforward, concise description of the service provider's ability to meet the requirements of the RFP. Excessive proposal preparation will receive no extra evaluation credit. Emphasis should be on a clear, concise, factual proposal.
- 18.7. The above will become the property of the DPSA and shall not be returned.
- 18.8. Receipt of all tender proposals will be recorded in a register at the point of receipt.

## 19. LATE BIDS

- 19.1. Bids received late will not be considered. A bid will be considered late if it arrives one second after 11:00 AM or any time thereafter. The tender box shall be locked at exactly 11:00 AM and the bids arriving late will not be considered under any circumstances. Bids received late shall be returned unopened where possible to the service provider. Service



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providers are therefore strongly advised to ensure that bids are dispatched, allowing enough time for any unforeseen events that may delay the delivery of the bid.

- 19.2. The official Telkom time (Dial 1026) will be used to verify the exact closing time.
- 19.3. Bids sent via any other means than hand delivery shall be deemed to be received on the date and time of arrival at the DPSA premises. Bids received at the physical address after the closing date and time of the bid, shall therefore be deemed to be received late.

## **20. NEGOTIATION AND CONTRACTING**

- 20.1. The DPSA reserves the right to engage in negotiations with one or more service providers regarding any terms and conditions of the proposed contract, including pricing.
- 20.2. The DPSA is under no obligation to accept the lowest, or any, quotation, offer, or proposal submitted.
- 20.3. The content of this RFP, the selected proposal, and the agreed-upon Service Level Agreement (SLA) will form the foundation of the contractual obligations of the successful service provider. Should the successful service provider fail to accept the terms outlined in the RFP or their proposal, unless explicitly amended and agreed to in writing by both parties, the DPSA reserves the right to cancel the award of the contract.
- 20.4. A contract will only be considered valid and binding once it is formalized in writing and signed by the designated authorized representatives of both the DPSA and the service provider.

## **21. INTELLECTUAL PROPERTY**

- 21.1. All documents and related materials are the property of the DPSA and are protected by copyright. Service providers are prohibited from using, sharing, or disclosing any information, documentation, or products to other clients or third parties without prior written consent from the DPSA.



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## PART C: EVALUATION PROCESS

Bids will be subjected to the evaluation and adjudication process and selection criteria described here under. **Bidders are required to complete Annexure G to assist evaluators in efficiently locating the technical responses in their proposals and for the company to ensure that all of the requirements of the RFP are complied with:**

### 1. THE EVALUATION PHASE

1.1. The evaluation phase consists of two (2) secondary phases namely the Minimum Mandatory Criteria Evaluation Phase and the Substantive Evaluation Phase

#### 1.1.1. Minimum Mandatory Criteria Evaluation Phase

- (a) During this phase, the bids shall be subjected to evaluation, i.e. whether bids meet the minimum compulsory criteria or not.
- (b) An independent audit company/auditor shall conduct the evaluation and will prepare an independent report on its findings for the Bid Evaluation Committee (BEC).
- (c) Any bid not meeting the compulsory minimum requirements shall be excluded from further adjudication processes. To this end the following compulsory minimum requirements apply:
  - (i) .Original signed briefing session certificate included.
  - (ii.) Audited financial statements for the last three years, including balance and income sheets.
  - (iii.) List of similar successful implementations.
  - (iv.) Comprehensive CVs, along with proof of registration with applicable professional bodies, for personnel assigned to the project.
  - (v.) High Level implementation plan included.
  - (vi.) Company history.
  - (vii.) Compliance with sub-contracting rules defined in RFP, if applicable.
  - (viii.) Current client list.
  - (ix.) One signed copy of the company's registration with Registrar of Companies within South Africa.



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- (x.) Full details of directors / trustees / members / shareholders and percentage of shareholding.
  - (xi.) A valid consortium agreement if several service providers responded to the RFP as a Consortium.
  - (xii.) Proof of registration on the Central Supplier Database (CSD) with National Treasury

***Prospective bidders responding to this bid must be registered as a service provider on the Central Supplier Database (CSD). If your company is not registered on the CSD, proceed to complete the registration of your company prior to submitting your proposal. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database is updated and valid. Evidence of registration of the CSD must be provided.***

***NB. No bid will be awarded to a supplier/service Provider who has not registered on the CSD.***

1.1.2. ***Note: all personal information provided will be used in accordance with the provisions of the Protection of Personal Information Act No 4 of 2013.***

1.1.3. **Substantive Evaluation Phase**

- (a) The Bid Evaluation Committee (BEC) will conduct the technical evaluation. The BEC will be an inclusive panel comprising representatives from the DPSA, one representative each from Cluster 1 to 4 of National Departments and one representative each from the nine Provincial Administrations. The BEC will quorate if at least three (3) members of the DPSA, two (2) representatives of the National Departments and five (5) representatives of the Provincial administrations are present.
- (b) The report from the Minimum Mandatory Criteria Evaluation Phase will be presented to the BEC and a final decision taken on the exclusion of the non-complying bids.
- (c) The Bid proposals shall be evaluated individually on score sheets by the BEC according to the evaluation criteria indicated in the table below.



1. Proven experience and capability of the Service Provider				Weighting: 45
Functional Factors		Proof required	Scoring Indicators	Score
1.1	Service Provider Experience  (a) Number of years the service provider has been in business (Kindly note that the experience of individuals in the company does not count towards the experience of the service provider's experience in the industry). In the case of consortiums or subcontractors it will be the number of years of each service provider being in business combined	Service provider profile clearly indicates-  (a) The number of years in business;  (b) Date that the firm was founded;  (c) Historical background;  (d) Revenue history of the firm; and  (e) The last three years audited financial statements.	9 and more years in operation	(5)
			more than 7 years but less than 9 years in operation	(4)
			more than 5 years but less than 7 years in operation	(3)
			more than 3 years but less than 5 years in operation	(2)
			3 years in operation	(1)
1.2	Client References  (a) The service provider must provide signed references, including subcontractors where applicable from past and current customers that include details of the services provided.	The service provider must provide signed references with regard to-  (a) <i>The size, industry and products of these customers</i> must be described as well as the types of services provided; and  (b) <i>The date of service to each customer.</i>  <b><u>NB Reference that do not comply with a &amp; b above will be considered invalid.</u></b>	10 or more references provided	(5)
			7 to 9 references provided	(4)
			6 references provided	(3)
			4 to 5 references provided	(2)
			Fewer than 4 references provided	(1)
1.3	Experience in the health risk management industry, including such experience in the Public Service	Service provider profile clearly provides-  (a) A description of experience in the health risk management industry;  (b) A description of experiences in the Public Sector (within this context it refers to the three spheres of Government, i.e. national, provincial and local authorities	Demonstrated that the company has 9 or more years of experience.	(5)
			Demonstrated that the company has more than 7 years but less than 9 years of experience.	(4)
			Demonstrated that the company has more than 5 years but less than 7 years of experience.	(3)



		(municipalities) and the health risk management industry, both nationally and internationally (if applicable).		
		(c) A description of current infrastructures, including, but not limited to staffing numbers;	Demonstrated that the company has more than 3 years but less than 5 years of experience.	(2)
		(d) A list and a description of current employers who are presently clients of the service providers, including, but not limited to the number of employees of each of the employers;	Demonstrated that the company has less than 3 years' experience.	(1)
		(e) A description of its expertise and experience in implementing and maintaining health risk management systems;		
		(f) An indication that the company has geographically dispersed locations.		
1.4	Qualifications and experience of staff including comprehensive CVs of all staff inclusive of up-to-date registration with the relevant health professional council.	Service provider must submit the Comprehensive CV's together with up-to-date registration certificates of the staff who will work on the project.	Staff possess qualifications and 30 and more year's collective experience in the relevant field of expertise.	(5)
			Staff possess qualifications with more than 25 years but less than 30 years collective experience in the relevant field of expertise.	(4)
			Staff possess qualifications with more than 20 years but less than 25 years collective experience in the relevant field of expertise.	(3)
			Staff possess qualifications with more than 15 years but less than 20 years collective experience in the relevant field of expertise.	(2)
			Staff possess qualifications with less than 15 years collective experience in the relevant field of expertise.	(1)
<b>2. Methodology and Approach</b>			<b>Weighting: 55</b>	
<b>Functional Factors</b>	<b>Proof required</b>	<b>Scoring Indicators</b>	<b>Score</b>	



2.1	Proposed methodology and approach to achieve required outputs	<p>The Service provider must demonstrate-</p> <ul style="list-style-type: none"> <li>(a) understanding of health risk management services;</li> <li>(b) understanding towards implementation, planning and approach;</li> <li>(c) possessing adequate infrastructure, physical and financial resources and expertise to support the requirements;</li> <li>(d) that it has sufficient physical and electronic security;</li> <li>(e) that it maintains acceptable audit standards and procedures;</li> <li>(f) that it has a document management system that covers the required IT infrastructure, a central depository and data archiving and backup ability;</li> <li>(g) its ability to maintain a database according to the requirements;</li> <li>(h) the ability to provide query reports and reports on assessments and recommendations;</li> <li>(i) providing a help desk infrastructure; and</li> <li>(j) feasible systems and procedures to prevent fraud</li> </ul>	The methodology and approach include a comprehensive exposition and motivation in support of the proposal and the service provider has demonstrated this by responding to 8 and more of the criteria as stipulated.	(5)
			The methodology and approach include an exposition and motivation in support of the proposal and the service provider has demonstrated this by responding to more than 6 but less than 8 of the criteria as stipulated.	(4)
			The methodology and approach include the exposition and motivation in support of the proposal and the service provider has demonstrated this by responding to more than 4 but less than 6 of the criteria as stipulated.	(3)
			The proposed methodology and approach are a verbatim repeat of the ToR, and the service provider demonstrated this by responding to more than 2 but less than 4 of the criteria as stipulated.	(2)
			Failed to align the proposed methodology with the required outputs of the project and the service provider demonstrated this by responding to 2 or less of the criteria as stipulated.	(1)
2.2	Understanding of the requirements and objectives to be achieved	<p>Service provider indicates-</p> <ul style="list-style-type: none"> <li>(a) a clear and strong grasp of its understanding of the nature and extent of assessment and recommendations on incapacity leave &amp; ill-health retirement. Summaries and a verbatim repeat from the</li> </ul>	Demonstrated understanding of the requirements to achieve the objectives as set out in the Terms of Reference by responding to 8 and more of the criteria as stipulated.	(5)
			Demonstrated understanding of the requirements to achieve the objectives as set out in the Terms of Reference by responding to more than 6 but less than 8 of the criteria as stipulated.	(4)



		<p>RFP are not sufficient to express such an understanding;</p> <p>(b) a good understanding of the systems and administrative capacity required for-</p> <p>(i) handling volumes of applications;</p> <p>(ii) medical knowledge to do assessments; and</p> <p>(iii) exploring data and link to general Government database;</p> <p>(c) a general understanding of the objective of regular reporting;</p> <p>(d) the human resources (assessors included) available to provide the services required;</p> <p>(e) the ability to commence implementation on the required date;</p> <p>(f) a complete indication of all the implementation activities;</p> <p>(g) a sound understanding of the implementation process; and</p> <p>(h) that the implementation work plan includes all the implementation activities with time frames.</p> <p>(i) Its understanding of the relevant legislation, public service determinations, Frameworks and Policies related to this project.</p>	<p>Demonstrated understanding of the requirements to achieve the objectives as set out in the Terms of Reference by responding to more than 4 but less than 6 of the criteria as stipulated.</p>	(3)
			<p>Demonstrated understanding of the requirements to achieve the objectives as set out in the Terms of Reference by responding to more than 2 but less than 4 of the criteria as stipulated.</p>	(2)
			<p>Demonstrated understanding of the requirements to achieve the objectives as set out in the Terms of Reference by responding to 2 or less of the criteria as stipulated.</p>	(1)



2.3	General business and financial strength	The service provider-	Demonstrated that they operate on sound business principles and possess the financial strength to carry out this project by responding to 11 and more of the criteria as stipulated.	(5)
		(a) Demonstrates that it operates on sound business principles and possesses the financial strength to carry out this project;	Demonstrated that they operate on sound business principles and possess the financial strength to carry out this project by responding to more than 9 but less than 11 of the criteria as stipulated.	(4)
		(b) Provides the sales/revenue history of the firm;	Demonstrated that they operate on sound business principles and possess the financial strength to carry out this project by responding to more than 7 but less than 9 of the criteria as stipulated.	(3)
		(c) A good financial standing in accordance with the provided audited financial statements;	Demonstrated that they operate on sound business principles and that they possess the financial strength to carry out this project by responding to more than 4 but less than 7 of the criteria as stipulated.	(2)
		(d) Indicates, where applicable, if it was previously part of consortium, which services were provided by the service provider;	Demonstrated that they operate on sound business principles and that they possess the financial strength to carry out this project by responding to 4 or less of the criteria as stipulated.	(1)
		(e) Provides proof of its Tax standing;		
		(f) Indicates its projected growth in outsourcing business, customer base and revenues for the next three years;		
		(g) Indicates if it has any litigation, abnormal contractual obligations and liabilities which may negatively affect the ability of the service provider to render the services attached to this RFP		
		(h) Provides its ISO9000/9001 certifications, if any, or commitment to obtaining certification;		
		(i) Provides information on major litigation against the company, abnormal contractual obligations and liabilities, if applicable; and		
		(j) Investment in appropriate human resources capacity and development of current personnel to support implementations and		



	<p>development.</p> <p>(k) Provides a description of its change management skills and practices</p> <p>(l) Provides a description of its and project management skills and practices;</p> <p>(m) A description of its understanding of the legislative and regulatory framework within which the Public Service functions, e.g. the Public Finance Management Act, the Public Service Act, the Government Employees Pension Law, etc.; and</p>	
<b>Total functionality score</b>		<b>100%</b>
<b>Minimum threshold for function</b>		<b>65%</b>

- (d) Service providers scoring less than 65 out of 100 points for functionality will not be considered for further evaluation.
- (e) Responsive bids will be evaluated further using the 90/10 preference points system, with points allocated based on price and the four (4) specific goals focussing on persons historically disadvantaged based on race (Black people), gender (women) and persons living with disabilities as well as categories of persons being youth referenced in the Preferential Procurement Policy Framework Act and its associated regulations.
- (f) Points will be awarded to bidders based on the formulae below.
- (g) **The following formula will be used to calculate the points for price in respect of bidders**

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

Where

$P_s$  = Points scored for comparative price of Bid under consideration

$P_t$  = Comparative price of Bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable Bid



- (h) Points awarded to a bidder for attaining specific goals for the procurement initiative. A maximum of 10 points may be awarded to a bidder who meets the criteria for the four specific goals from a preference point perspective. For this Bid, the maximum number of points that could be allocated are indicated in the table below:

<b>SPECIFIC GOALS</b>	<b>Number of points (90/10 System)</b>
Black Equity Ownership	4
Women Equity Ownership	2
Persons living with disabilities Equity Ownership	2
Youth Ownership	2
Goals not met	0

**PREFERENCE POINT MATRIX (90/10)**

<b>GOAL</b>	<b>POINTS OF 10</b>	<b>OUT</b>	<b>REQUIRED PROOF</b>
<b>Black Equity Ownership</b>	<b>Maximum Points</b>	<b>4</b>	<p><i>One or more of the following is to be provided for the verification of points claimed by the tenderer:</i></p> <ul style="list-style-type: none"> <li>• Company Registration Certificate (CIPC).</li> <li>• Company Shareholders Certificate.</li> <li>• Certified Identification Documentation of company director/s.</li> <li>• Detailed Central Supplier Database Report (CSD).</li> <li>• B-BBEE Certificate / B-BBEE Sworn Affidavit of the tendering company.</li> <li>• Consolidated B-BBEE Certificate if the tendering company is a Consortium, Joint Venture or Trust issued by a verification agency accredited by the</li> </ul>
100% Black ownership	4 Points		
>51% Black ownership	2 Points		
>0<51% Black ownership	1 Point		
0% ownership	0 Points		
<b>Women Equity Ownership</b>	<b>Maximum Points</b>	<b>2</b>	
>51% ownership	2 Points		
>0<51% ownership	1 Point		
0% Ownership	0 Points		
<b>Persons Living with Disabilities Equity Ownership</b>	<b>Maximum Points</b>	<b>2</b>	



>51% ownership	2 Points	South African Accreditation Body. • Agreement for a Consortium, Joint Venture or Trust. • Declaration from a registered medical practitioner in support of Persons Living with Disabilities.
>0<51% ownership	1 Point	
0% Ownership	0 Points	
<b>Youth Equity Ownership</b>	<b>Maximum Points 2</b>	
>51% ownership	2 Points	
>0<51% ownership	1 Point	
0% Ownership	0 Points	

- (i) The BEC shall then engage in discussion to inform the recommendations to the DPSA's Bid Adjudication Committee (BAC) of a maximum of six (6) highest scoring service providers.
- (j) If a need is identified, the BEC may assign a team to conduct a site visit to all short-listed service providers' offices.
- (k) The BEC process will be observed and an audit report will be provided by an appointed external auditor.

#### 1.1.4. The Adjudication Phase

1.1.4.1. The reports from both the BEC and auditors shall be submitted for adjudication by the DPSA's Bid Adjudication Committee (BAC) to ensure the process's transparency, fairness and impartiality.

1.1.4.2. The DPSA BAC shall, based upon their findings, prepare a report with recommendations to the Director-General of the DPSA on the appointment of the panel of service providers.



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## ANNEXURE A

### NATIONAL DEPARTMENTS AND ORGANISATIONAL COMPONENTS

**Note:** The list provided represents the current cluster arrangement in respect of National Departments and Organisational Components. Please note that the Clusters of National Departments are subject to change in the light of the National Macro Organisation of Government (NMOG) currently in process.

<b>CLUSTER 1</b>
Department of Correctional Services
<b>CLUSTER 2</b>
Department of Justice and Constitutional Development
Department of Employment and Labour
Department of International Relations and Cooperation
Department of Cooperative Governance
Department of Communications and Digital Technologies
Office of the Public Service Commission
National School of Government
Department of Public Enterprises
Department of Planning, Monitoring and Evaluation
Independent Police Investigative Directorate
Department of Mineral Resources and Energy
Government Pensions Administration Agency
Centre of Public Service Innovation
Municipal Infrastructure Support Agent
Department of Public Service and Administration
Department of Science and Innovation
Department of Small Business Development
<b>CLUSTER 3</b>
Department of Defence
Department of Agriculture, Land Reform and Rural Development
Statistics South Africa
Department of Trade, Industry and Competition
Department of Transport
Department of Sport, Arts and Culture
Department of Water and Sanitation



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Office of the Chief Justice
Department of Traditional Affairs
Department of Military Veterans
<b>CLUSTER 4</b>
Department of Home Affairs
Department of Public Works and Infrastructure
National Prosecuting Authority
Department of Health
National Treasury
Department of Higher Education and Training
Department of Social Development
Department of Human Settlements
The Presidency
Government Printing Works
Government Communications and Information Systems
Department of Basic Education
Civilian Secretariat for the Police
Department of Tourism
Department of Women, Youth and People with Disabilities
Government Technical Advisory Centre
Department of Environment, Forestry and Fisheries



## ANNEXURE B

### TURNAROUND TIMES RELATING TO THE HEALTH RISK MANAGER RE THE ASSESSMENT AND REPORTING ON APPLICATIONS FOR SHORT PERIODS OF TEMPORARY INCAPACITY LEAVE

Activity	Performance Measure
1. Acknowledges receipt of application and confirm in writing that the Employer will receive feedback on the application, as well as an indication with regards to additional documentation and information required to perform and complete the assessment.	Within 2 working days of receipt of the application
2. Assessment and Advice <ul style="list-style-type: none"> <li>2.1. Assess employee's application to determine-               <ul style="list-style-type: none"> <li>2.1.1. the inability to perform his/her job;</li> <li>2.1.2. the extent of incapacity;</li> <li>2.1.3. the cause of incapacity;</li> <li>2.1.4. the validity of the application for temporary incapacity leave;</li> <li>2.1.5. the appropriate duration of the leave</li> <li>2.1.6. the need for ongoing temporary incapacity leave; and</li> <li>2.1.7. the management of the condition, where applicable.</li> </ul> </li> <li>2.2. The assessment by the Health Risk Manager must include, but is not limited to-               <ul style="list-style-type: none"> <li>2.2.1. scrutiny of available medical information and medical certificates by a recognised practitioner;</li> <li>2.2.2. contact with employee's attending recognised practitioner and other parties that may be involved to verify information where necessary; and</li> <li>2.2.3. categorising the application of temporary incapacity leave in terms of the contents of this Agreement</li> </ul> </li> <li>2.3. Advice to the Employer, whilst maintaining confidentiality relating to medical information, on-               <ul style="list-style-type: none"> <li>2.3.1. the validity of the application for temporary incapacity leave;</li> <li>2.3.2. the appropriate duration of the leave;</li> <li>2.3.3. the need for ongoing temporary incapacity leave; and</li> </ul> </li> </ul>	Within 12 working days of receipt of complete application from the Employer. (Inclusive of the timeframe for acknowledgement of receipt of an application).



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Activity	Performance Measure
2.3.4. the management of the condition, where applicable.	



## ANNEXURE C

### TURNAROUND TIMES RELATING TO THE HEALTH RISK MANAGER RE THE ASSESSMENT AND REPORTING ON APPLICATIONS FOR LONG PERIODS OF TEMPORARY INCAPACITY LEAVE

Activity	Performance Measure
<b>A PRIMARY ASSESSMENT</b>	
1. Acknowledges receipt of application and confirms in writing that the Employer will receive feedback on the application, as well as an indication regarding additional documentation and information required to perform and complete the assessment.	Within 2 working days of receipt of all required information
2. Assessment and advice <ul style="list-style-type: none"> <li>2.1. Assess Employee's application for temporary incapacity leave to determine-               <ul style="list-style-type: none"> <li>2.1.1. the inability to perform his/her job;</li> <li>2.1.2. the extent of incapacity;</li> <li>2.1.3. the cause of incapacity;</li> <li>2.1.4. the validity of the application for temporary incapacity leave;</li> <li>2.1.5. the appropriate duration of the leave;</li> <li>2.1.6. the need for ongoing temporary incapacity leave;</li> <li>2.1.7. preliminary advice on the management of the condition, where applicable; and</li> <li>2.1.8. the need for a secondary assessment, if applicable.</li> </ul> </li> <li>2.2. The assessment by the Health Risk Manager must include, but is not limited to-               <ul style="list-style-type: none"> <li>2.2.1. scrutiny of available medical information and medical certificates by a recognised practitioner;</li> <li>2.2.2. contact with employee's attending recognised practitioner and other parties that may be involved to verify information where necessary;</li> <li>2.2.3. the impact of the employee's medical condition has on his/her work performance and attendance, if possible; and</li> <li>2.2.4. categorising the application of temporary incapacity leave in terms of the contents of this Agreement.</li> </ul> </li> <li>2.3. Advice to the Employer, whilst maintaining confidentiality, relating to medical</li> </ul>	Within 12 working days of receipt of all required information from the Employer. (Inclusive of the timeframe for acknowledgement of receipt of an application).



Activity	Performance Measure
<p>information, on-</p> <ul style="list-style-type: none"> <li>2.3.1. the validity of the application for temporary incapacity leave;</li> <li>2.3.2. the need for ongoing temporary incapacity leave;</li> <li>2.3.3. the appropriate duration of the leave;</li> <li>2.3.4. advice on the management of the condition, where applicable; and</li> <li>2.3.5. the need to proceed with a secondary assessment, if applicable.</li> </ul>	
<b>B. SECONDARY ASSESSMENT</b>	
<ul style="list-style-type: none"> <li>1. Assessment and advice <ul style="list-style-type: none"> <li>1.1. Assess employee's application to determine the nature and extent of the employee's incapacity, with due consideration to- <ul style="list-style-type: none"> <li>1.1.1. the need for ongoing temporary incapacity leave (i.e. beyond 30 working days);</li> <li>1.1.2. the management of the condition, if applicable; and</li> <li>1.1.3. whether the incapacity is of a permanent nature and whether the Employer should investigate and consider alternate employment, or to adapt the work circumstances/duties of the employee to accommodate, or to retire the employee on grounds of ill-health.</li> </ul> </li> <li>1.2. For purposes of the assessment the Health Risk Manager must- <ul style="list-style-type: none"> <li>1.2.1. investigate, verify and expand information received;</li> <li>1.2.2. obtain further independent and impartial opinions on the nature and extent of the condition, if necessary;</li> <li>1.2.3. ascertain precisely the functional implications of the condition on the employee's work performance; and</li> <li>1.2.4. utilise the prescribed basic assessment criteria and guidelines contained in this Agreement.</li> </ul> </li> </ul> </li> </ul>	<p>Within 40 working days following the advice on the primary assessment.</p>



Activity	Performance Measure
<p>1.3. Advice to the Employer regarding the following:</p> <ul style="list-style-type: none"><li>1.3.1. The validity of the application for incapacity leave.</li><li>1.3.2. The appropriate duration of incapacity, leave.</li><li>1.3.3. The need for ongoing incapacity leave.</li><li>1.3.4. The management of the condition, if applicable.</li><li>1.3.5. Whether the incapacity is of a permanent nature and whether it is necessary for the Employer to consider alternative employment for the employee or adapting the working conditions/ duties of the employee to accommodate the employee or to retire the employee on grounds of ill-health.</li></ul>	



## ANNEXURE D

### TURNAROUND TIMES RELATING TO THE HEALTH RISK MANAGER'S SERVICES RE THE ASSESSMENT AND REPORTING ON APPLICATIONS FOR ILL HEALTH RETIREMENT

Activity	Performance Measure
1. Acknowledges receipt of application and confirms in writing that the Employer will receive feedback on the application, as well as an indication regarding additional documentation and information required to perform and complete the assessment.	Within 2 working days of receipt of the application
2. Assessment and Advice <ul style="list-style-type: none"> <li>2.1. Assess Employee's application to determine-               <ul style="list-style-type: none"> <li>2.1.1. the inability to perform his/her job;</li> <li>2.1.2. the extent of incapacity;</li> <li>2.1.3. the cause of incapacity;</li> <li>2.1.4. the validity of the application for ill-health retirement;</li> <li>2.1.5. the appropriate duration of the leave;</li> <li>2.1.6. the need for ongoing temporary incapacity leave; and</li> <li>2.1.7. the management of the condition, where applicable.</li> </ul> </li> <li>2.2. For purposes of the assessment the Health Risk Manager should-               <ul style="list-style-type: none"> <li>2.2.1. investigate, verify and expand information received;</li> <li>2.2.2. consider the personal and occupational profiles of the employee, as obtained from statements by the employee and the Employer;</li> <li>2.2.3. consider the medial information detailing the nature and severity of the condition on which the application is based, as well as any independent and impartial opinions on the nature and extent of the of the condition which the Health Risk Manager obtained, if necessary;</li> <li>2.2.4. ascertain precisely the functional implications of the condition on the employee's work performance and attendance; and</li> <li>2.2.5. utilise the prescribed basic assessment criteria and guidelines contained in this Agreement.</li> </ul> </li> <li>2.3. Recommendation to Employer regarding the following:               <ul style="list-style-type: none"> <li>2.3.1. The validity of the application for ill-health retirement.</li> </ul> </li> </ul>	Within 90 calendar days of receipt of all required information from the Employer. (Inclusive of the timeframe for acknowledgement of receipt of an application).



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Activity	Performance Measure
<p>2.3.2. The management of the condition, if applicable.</p> <p>2.3.3. Whether the incapacity is of a permanent nature and whether it is necessary for the Employer to consider alternate employment for the employee or adapting the working conditions/ duties of the employee to accommodate the employee or to retire the employee on grounds of ill-health.</p>	



## ANNEXURE E

### SERVICE LEVEL REPORTING REQUIRED FROM SERVICE PROVIDER

**Note: This Annexure is the current service level reporting requirements. This Annexure E is, however, subject to change.**

#### 1. OBJECTIVES

The objective of this report/service level agreement is to-

- 1.1. monitor and evaluate the implementation and application experience of the Policy and Procedure on Incapacity Leave and Ill-health Retirement;
- 1.2. provide a uniform format and standard of reporting;
- 1.3. capture important global information and data on temporary incapacity leave and ill-health retirement empowering the DPSSA to report to its principals on the application of PILIR as well as trends observed in the different areas of the Public Service; and
- 1.4. capture important information and data on departmental level, empowering departments to understand their own experiences enabling them to take corrective steps where applicable and to report to their principals.

#### 2. MANDATORY GENERAL REQUIREMENTS TO THE REPORT:

- 2.1. The report is a year-to-date report. In other words, the information provided in the report must cover the period from the first day of implementation (in the case of the former pilot sites this would be the first day of the pilot project). The report must be supplemented and updated with the latest developments.
- 2.2. All reports must be presented in the under-mentioned format and must carry as a minimum the information described in the reporting format.
- 2.3. Statistics in the main report must as far as possible be provided in graphs and tables. The detailed tables that inform the graphs in the report must be appended as an Annexure to the report. This is necessary to enable reporting to the Minister, etc. Statistics/graphs/tables must always be supplemented by narrative text to explain or contextualise the statistics, as well as to describe the trends observed. Statistics must also highlight trends such as the highest, lowest and average number of incidents. Statistical information/trends must, where possible, be benchmarked against the previous sick leave cycle(s) and/or relevant years of the current and previous sick leave cycle(s). Statistics depicting trends in a specific implementation area/individual department must be measured against the overall profile of the implementation area or individual department. Statistics that are included over and above the minimum requirements must be useful to either party concerned, e.g. to describe a particular trend. Nice to have information must be avoided.



- 
- 2.4. The report must always be presented with a narrative of good quality but plain understandable language. Remember that some of the readers do not have a medical background and English is for some a second language. Bulleted statements should be avoided since on their own they may become nonsensical and can be misunderstood. Negative and officious language tones must be avoided since it could be construed as offensive and interfering, which may compromise the project and good working relationships.

## **TABLE OF CONTENTS**

### **CHAPTER 1: OVERVIEW**

### **CHAPTER 2: OUTCOMES: SHORT TEMPORARY INCAPACITY LEAVE**

### **CHAPTER 3: OUTCOMES OF LONG TEMPORARY INCAPACITY LEAVE**

### **CHAPTER 4: OUTCOMES OF LL-HEALTH RETIREMENT**

### **CHAPTER 5: COST SAVINGS**

### **CHAPTER 6 DEVIATIONS FROM RECOMMENDATIONS**

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### **CHAPTER 8: CALL CENTRE**

### **CHAPTER 9: GENERAL ISSUES**

### **CHAPTER 10: DISCUSSIONS BY INDIVIDUAL DEPARTMENT IN THE IMPLEMENTATION AREA**

### **CHAPTER 11: ESCALATED ISSUES**

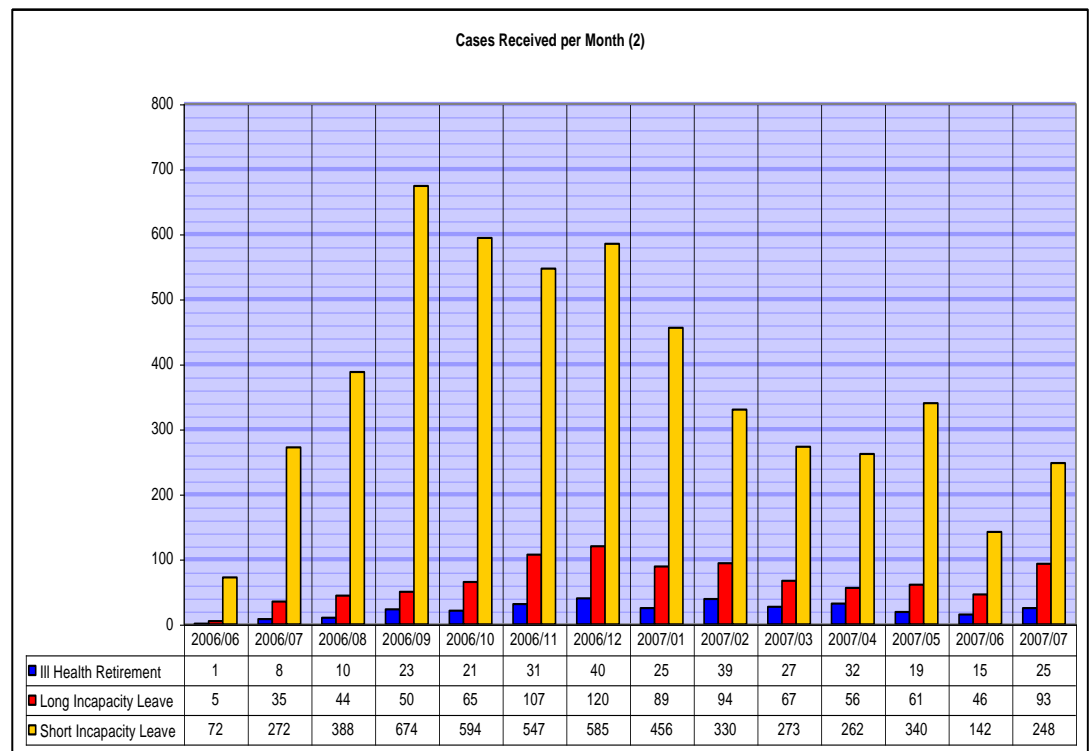
### **CHAPTER 12: CONCLUSION**

### **ANNEXURES**



## CHAPTER 1: OVERVIEW

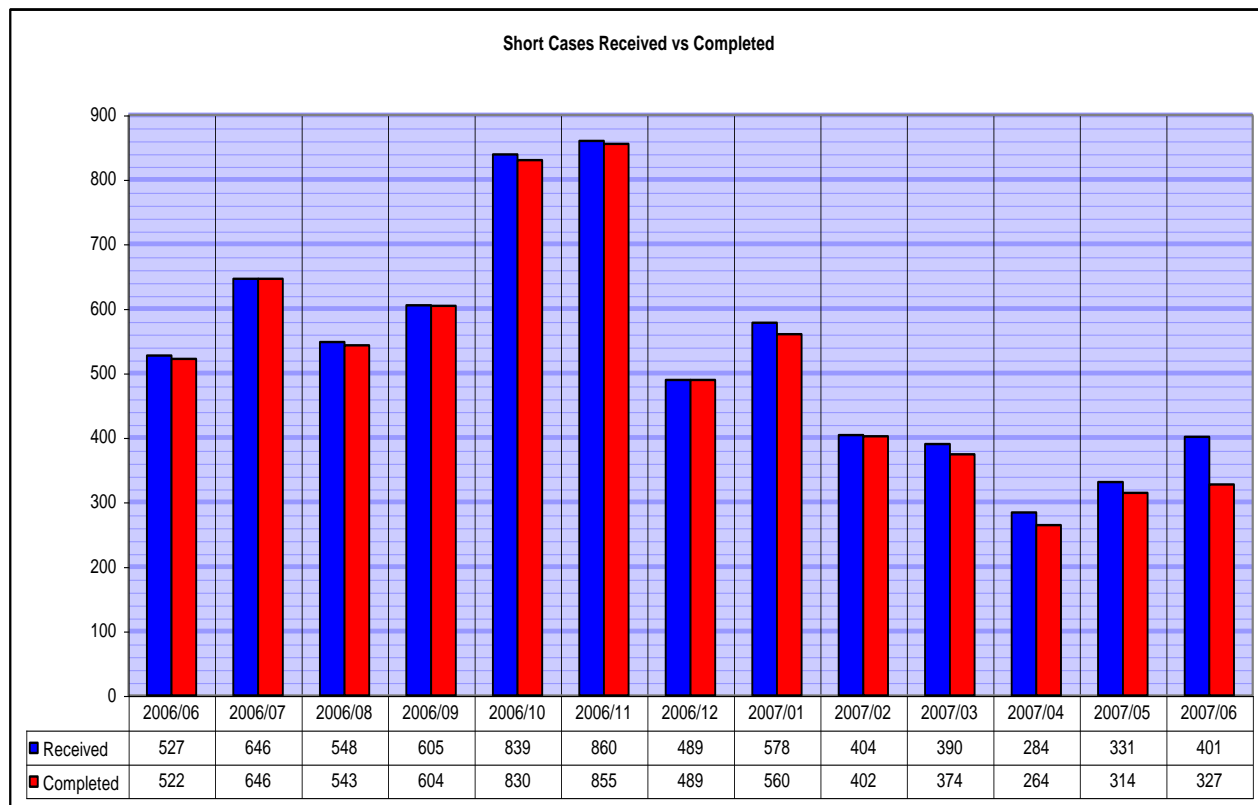
1. This section deals with general information regarding the implementation process to date, and should include as a minimum the following information:
  - 1.1. General perceptions of success/evolution of the process (es). In this context, attention must be given to the under-mentioned aspects. Tables and graphs must be provided summarizing statistics, depicting trends, comparisons, etc. See examples of graphs included. The graphs must be contextualized and explained with narrative:
    - 1.1.1. The number of applications received by month and year to date, in respect of the three application types. In the statistical analysis, current experience must always be measured against the previous sick leave cycle(s), as well as comparative year(s) in the previous sick leave cycle(s). This will enable the management of an implementation area/department to identify potential compliance and management aspects that warrants their attention.
    - 1.1.2. Trends analysis regarding statistics of incapacity leave applications received with previous months and comparable periods in the previous sick leave cycles incapacity leave statistics. The trends analysis should indicate whether a decline or increase is observed, and the periods during which such trends occur, as well as possible explanations for the trend observed. See for example the following graph and table.





Short Temporary Incapacity Leave				
PERIOD:	Total	2001 to 2003	2004 to 2006	2007 to 2009
January – December 2004	3036	2624	412	0
January – December 2005	3186	1094	2092	0
January – December 2006	6333	377	5953	3
January – June 2007	2374	13	2264	97
<b>GRAND TOTAL:</b>	<b>14929</b>	<b>4108</b>	<b>10721</b>	<b>100</b>

1.1.3. Record of the status of the finalization of the different application types, as well as the completion ratio. See example of table:





	Short Incapacity Leave by Sick Leave Cycle			
	2004-2006		2007-2009	
	Total Cases	Cases Completed	Total Cases	Cases Completed
2006/06	72	72	0	0
2006/07	271	270	0	0
2006/08	388	387	0	0
2006/09	670	670	1	1
2006/10	593	592	1	1
2006/11	546	546	0	0
2006/12	581	581	4	4
<b>TOTAL</b>	<b>3121</b>	<b>3118</b>	<b>6</b>	<b>6</b>
2007/01	449	447	7	7
2007/02	306	305	24	22
2007/03	237	227	35	30
2007/04	240	238	22	22
2007/05	282	281	58	56
2007/06	103	102	39	34
2007/07	182	111	66	49
<b>TOTAL</b>	<b>1799</b>	<b>1711</b>	<b>251</b>	<b>220</b>
<b>GRAND TOTAL</b>	<b>4920</b>	<b>4829</b>	<b>257</b>	<b>226</b>



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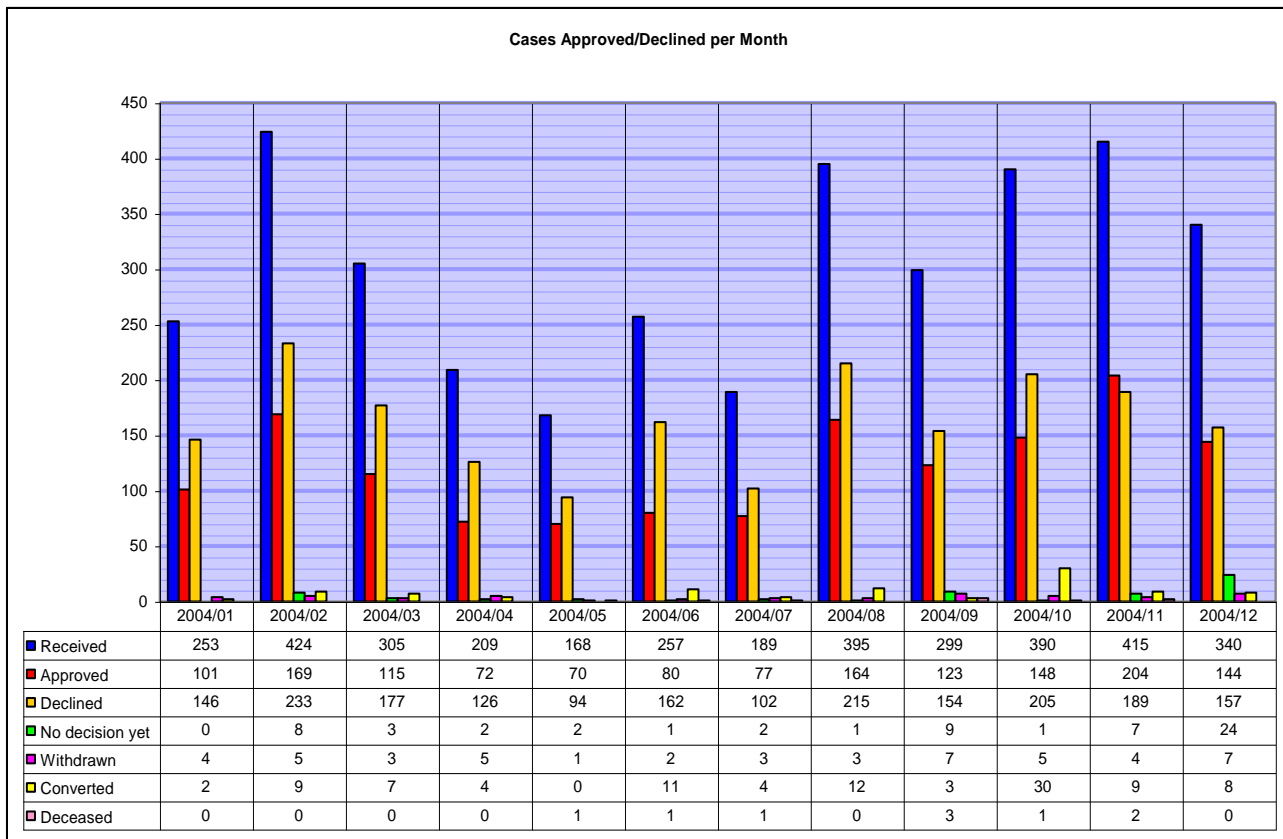
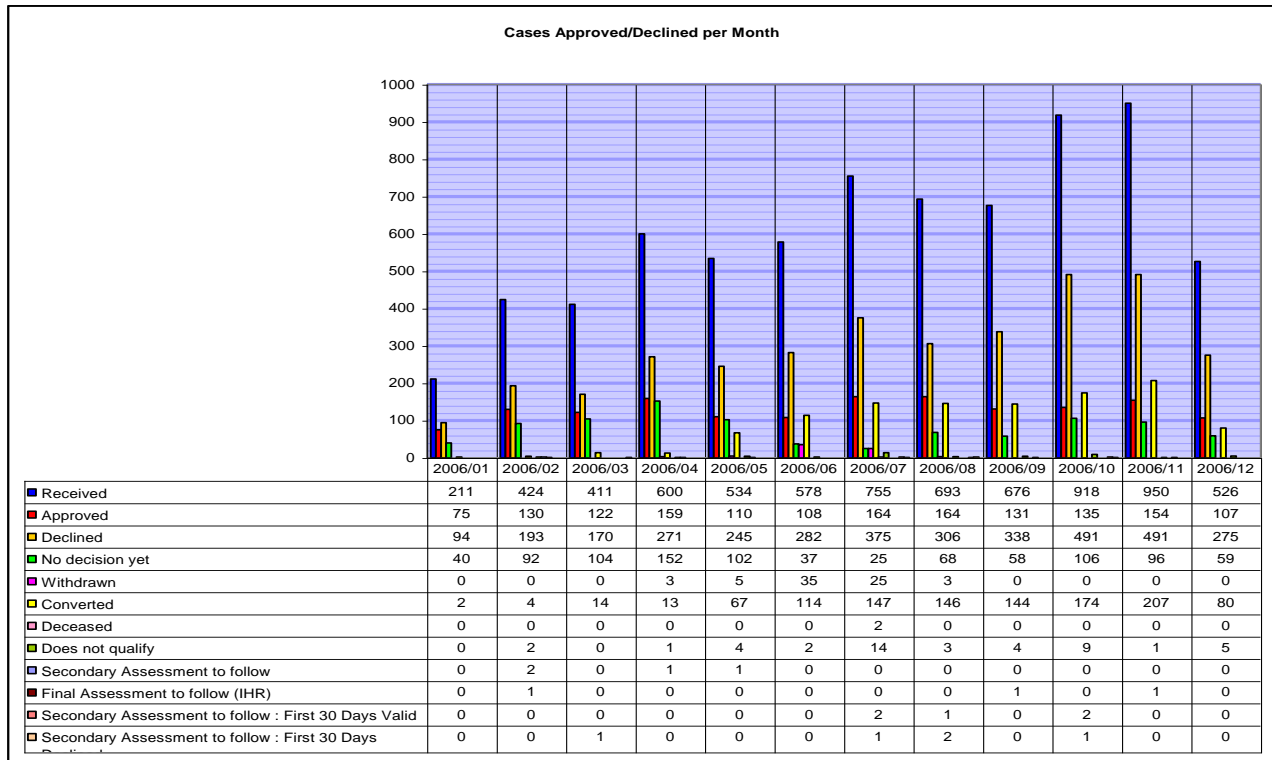
weaknesses, opportunities and threats identified in relation to the PILIR process and related processes and systems. The Health Risk Managers recommendations and advice to deal with such issues.

- 1.2. Positive and negative aspects experienced where relevant.
- 1.3. Give a narrative discussion of the factors influencing the delivery of the required services, such as the quality of applications, adherence to turn around times, etc. Where possible, cite possible solutions and/or recommendations to address the factors influencing the delivery of services. In this context, attention must also be given to communication with the Employer, the DPSA, etc.
- 1.4. Problems experienced as well as proposed/implemented solutions. This can include any recommendations regarding internal processes affecting the service delivery of the Health Risk Manager, but which falls outside the scope of the contracted services.
- 1.5. Feedback on interaction with medical practitioners and medical account applications. Any problems related to the costs of using specialized services such as Occupational Therapists, or where cost exceeded the limits provided for in the SLA, must be described/discussed.

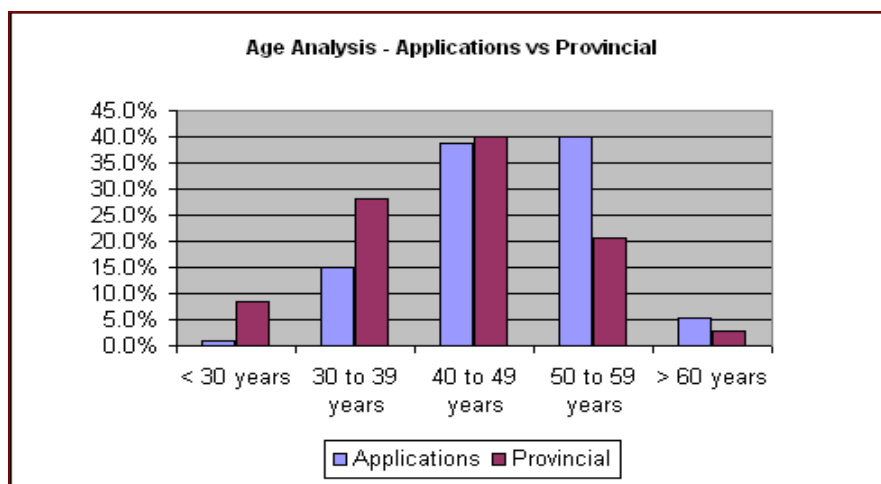
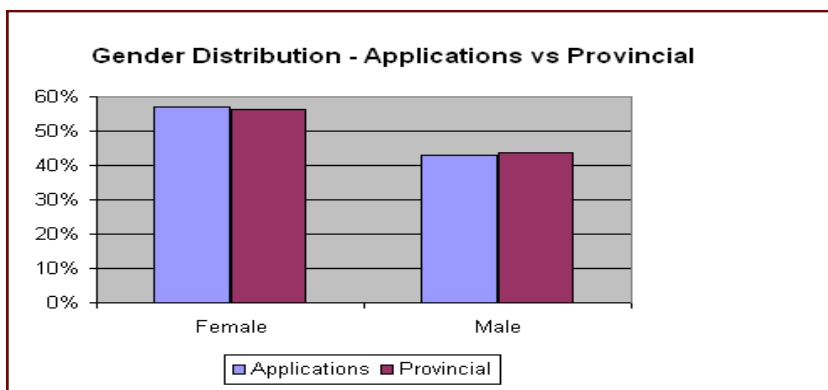
## **CHAPTER 2: OUTCOMES: SHORT TEMPORARY INCAPACITY LEAVE**

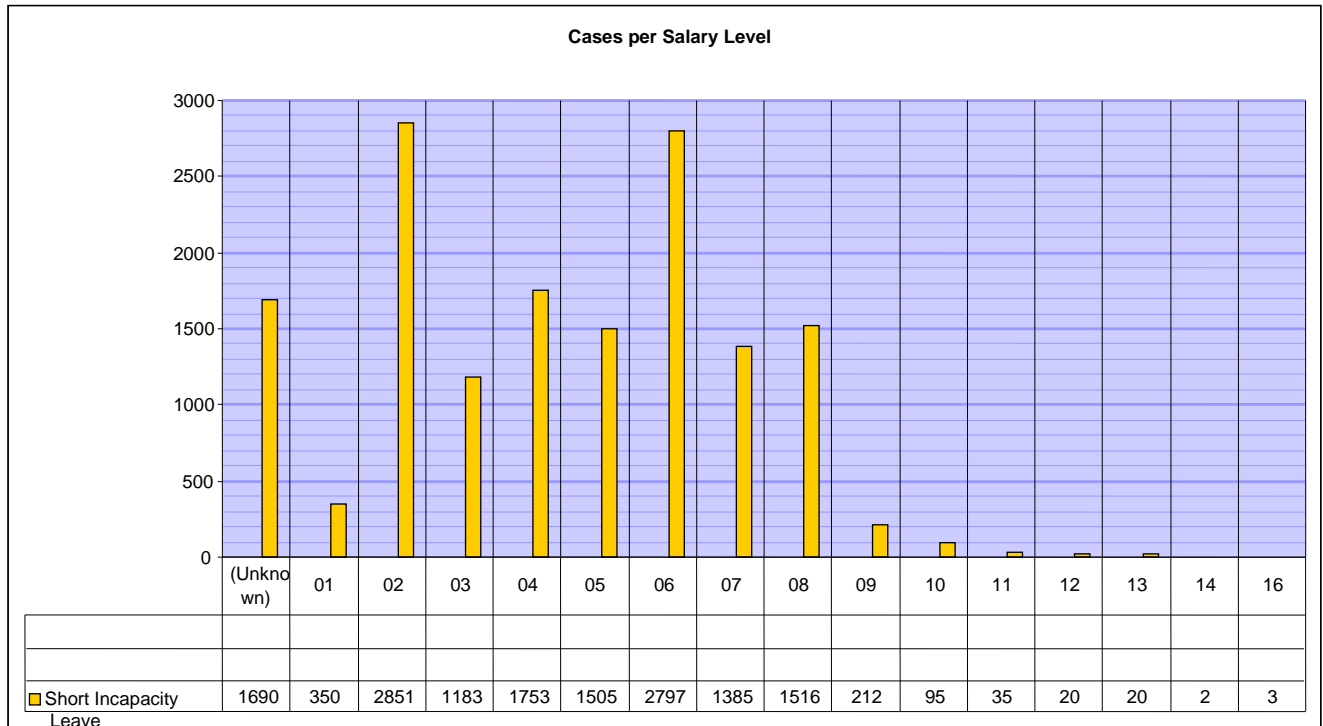
1. This chapter must provide a global statistical and narrative analysis of the assessment outcomes by –
  - 1.1. approved.
  - 1.2. declined;
  - 1.3. other outcomes such as resignation etc. If another outcome than approved or declined is relevant, it must be assigned with a proper label to properly understand the outcomes.

See examples of summary graph

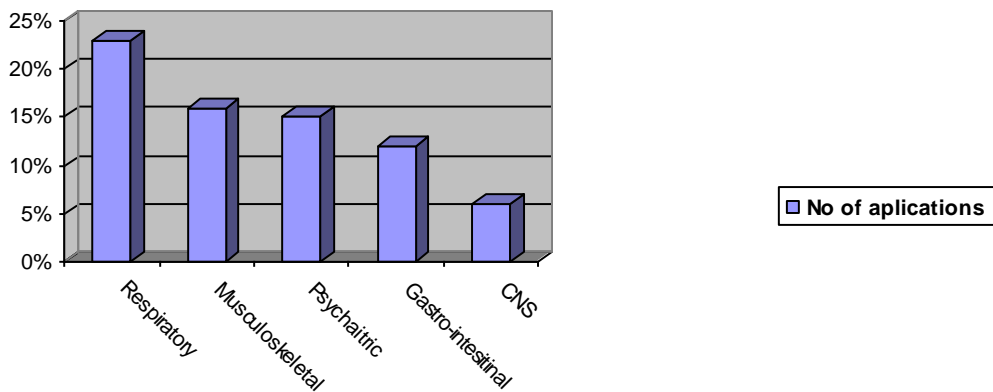


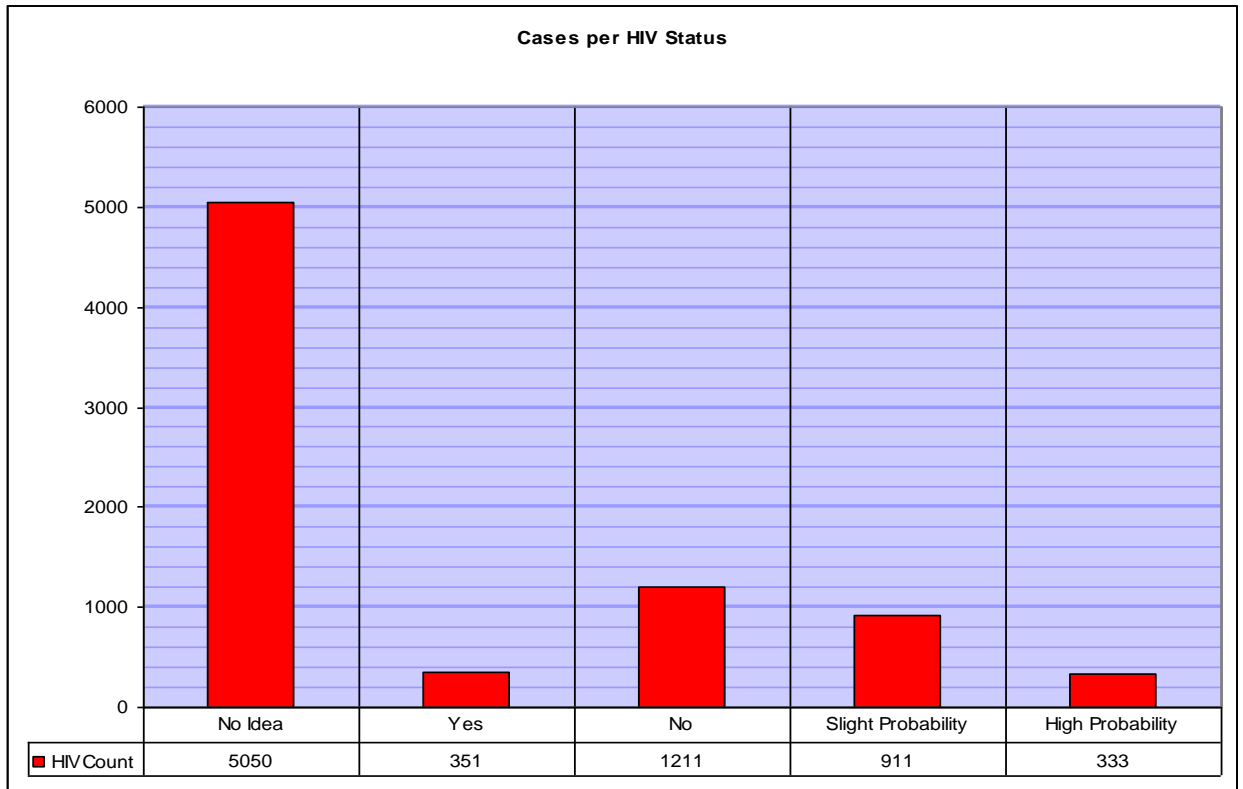
2. In the narrative and statistical analysis in par 1 above attention must also be given to the applications
  - 2.1. where alternative recommendations were given; and
  - 2.2. where a short temporary incapacity leave application was converted into a long temporary incapacity leave application; and
  - 2.3. where ill-health retirement was summarily advised.
3. The above statistical analysis and narrative discussion must be broken down by age, gender, salary level and occupation. This statistical analysis should be measured against the total profile of the implementation area (e.g. a province) See the following examples:





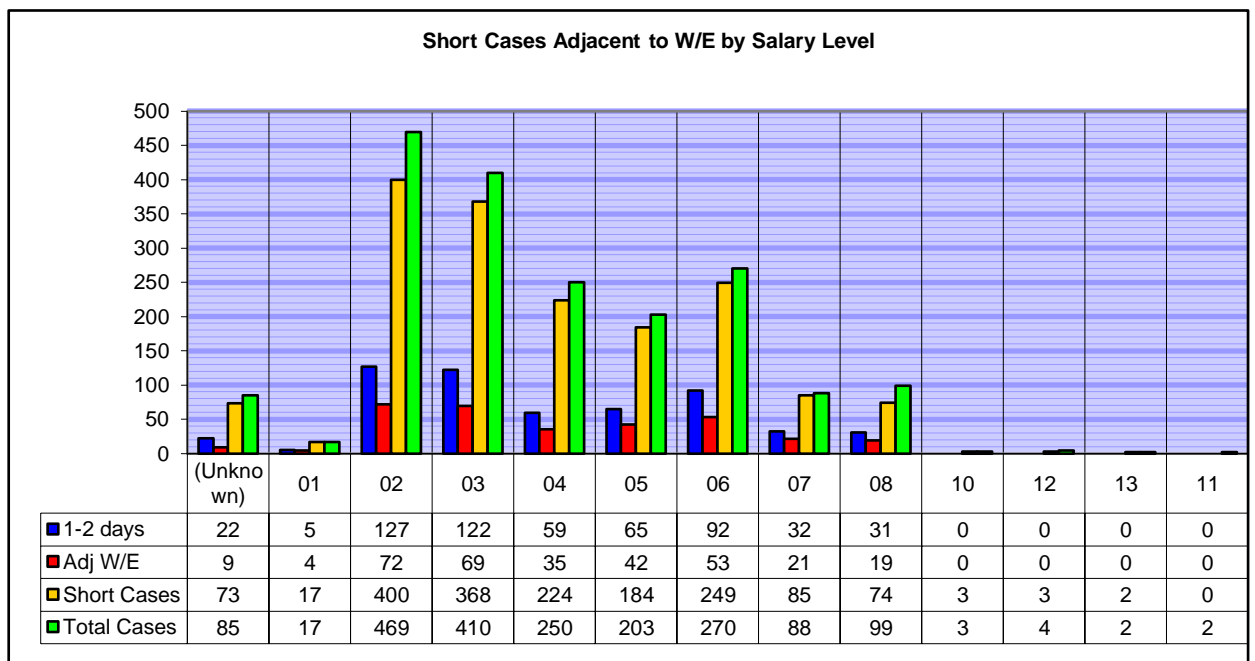
- Provide a narrative and statistical analysis of the global disease profile of the implementation area. The different illnesses/conditions must as far as possible be categorised in generic groups, e.g. psychiatric conditions. The number of illnesses/conditions listed must be limited to a maximum of 5 or 10 conditions. In this context, specific attention must also be given to other high-profile conditions such as HIV and AIDS. See attached example graphs.





5. Attention should also be given to other trends related to employees' absences, i.e. linked to weekends, etc.

See attached example graphs.





6. Provide a narrative and statistical analysis of the global profile of the implementation area in respect of the five high incident illnesses as identified in PILIR.
7. Provide comments on management types related to among other-
  - 7.1. Disease management
  - 7.2. Rehabilitation;
  - 7.3. Health and wellness/EAP interventions
  - 7.4. Return to work outcomes, i.e. to an employee's own job, redeployment (alternative) or retraining, work adjustment (own or alternative job).
8. Provide information on deviations that departments reported to the HRM.

### CHAPTER 3: OUTCOMES: LONG TEMPORARY INCAPACITY LEAVE

The requirements in Chapter 2 apply mutatis mutandis.

### CHAPTER 4: OUTCOMES: ILL-HEALTH RETIREMENT

The requirements in Chapter 2 apply mutatis mutandis.

### CHAPTER 5: COST SAVINGS

Provide a narrative discussion and statistical analysis (graph/table) in respect of the potential savings in days and Rands brought about in the preceding quarter as well as the year to date. See the following example:

Department	Total Days Applied for	Total Days Not Advised	Potential Savings	
Agriculture & Environmental Affairs				
Short Period Applications	751	389	R 91,435.37	R 186 432, 12
Long Period Applications	837	351	R 90,647.08	R 180 324, 32
Education				
Short Period Applications	344	140	62,690.07	R 170 324, 12
Long Period Applications	653	426	238,285.40	R 542 564,86
<b>Total</b>	<b>15,333</b>	<b>7,119</b>	<b>2,159,311.66</b>	<b>R1 079 645.42</b>



## **CHAPTER 6: DEVIATIONS FROM RECOMMENDATIONS**

Provide a narrative report and statistical analysis (graph/table) on the deviations from the recommendations of the HRM

## **CHAPTER 7: MEDICAL FRATERNITY AND ENGAGEMENTS WITH OTHER SPECIALTIES.**

1. Provide a narrative discussion regarding -
  - 1.1. the total number of referrals to health service providers and other specialties for secondary assessments; and
  - 1.2. health service providers employed in the Public Service and who are utilised for this service.
2. Summarise the statistical breakdown of the different health service providers and other specialties in a graph. The detailed table could be appended to the report as an annexure. Similar record must please be given of service providers in the employ of the Public Service as well as their geographic location.

## **CHAPTER 8: CALL CENTRE**

Provide a narrative report and statistical analysis (graph/table) on the utilisation and effectiveness of the utilisation and operation of the call centre with specific attention to the following aspects:

1. The number of calls related to short and long temporary incapacity leave as well as ill-health retirement, respectively.
2. The number of calls received-
  - 2.1. handled immediately by help desk administrator;
  - 2.2. referred to assessor for further attention;
  - 2.3. referred to supervisor for further attention; and
  - 2.4. referred to medical advisor for further attention.
3. The number of calls resolved within the required time frames set in the contract, as well as the number of calls resolved beyond the set time frames.
4. The number of calls unresolved.
5. Types of calls – general enquiries, follow up, status check, etc.
6. Types of callers – Heads of Department, employees, doctors, etc.

## **CHAPTER 9: GENERAL ISSUES**

1. Fraudulent/Irregular Conduct



- 1.1. Provide a narrative record of evidence or suspicion of fraud detected or suspected by the HRM in or during the assessment of an employee's application, including the information related to the cases mentioned. Fraudulent or irregular conduct could involve either practitioners or employees. Mention must also be made whether the cases were brought to the attention of the employing department.
- 1.2. Elaborate in a narrative record and statistical analysis (supported by graph and table) on the use of medical practitioners by employees' recurring use of the same medical practitioners, especially where unethical or malpractice is in the order of the day.
2. Further narrative discussion/comments on-
  - 2.1. the improvement recommended in terms of processes;
  - 2.2. recommended best practices, etc.

## **CHAPTER 10: TEMPORARY INCAPACITY LEAVE UTILISATION RATE (TILUR)**

1. The submitted data from applications for short and long periods of temporary incapacity leave must be used to determine the temporary incapacity leave utilisation rate (TILUR) of employees in the Implementation Area.
2. The temporary incapacity leave utilisation rate (TILUR) is defined as the percentage of employees in the Implementation Area that require short and/or long periods of temporary incapacity leave, whether advised or not out of all the employees eligible for temporary incapacity leave. It is not dependent on the number of applications submitted, but on the number of employees who submitted applications, as indicated by individual PERSAL numbers. It thus eliminates scenarios where one employee applies for numerous periods, skewing the data of the Implementation Area, and gives an accurate account of the percentage of employees who utilise temporary incapacity leave according to PILIR after depleting their 36 days of normal sick leave.
3. This data in turn gives an indication of the percentage of the workforce resulting in the costs associated with absenteeism beyond the normal 36 days of sick leave per sick leave cycle.
4. Calculation of Temporary incapacity leave utilisation rate for the Implementation Area:

TILUR = Number of employees in the Implementation Area applying for TIL x 100

Number of employees in the Implementation Area



	Total number of employees	Percentage contribution to Implementation Area total	Total number of TIL applications	Percentage contribution to Implementation Area total	Number of individuals applying for TIL	Percentage contribution to Implementation Area total	TILUR
<b>Province</b>	500		95		35		7,00%
<b>Department</b>							
Department A	250	50%	50	52,63%	15	42,86%	20%
Department B	250	50%	45	47,37%	20	57,14%	18%

## CHAPTER 11: ESCALATED ISSUES

1. Any items escalated to the Employer or the DPSA that arose and that were resolved should be addressed under this heading.
2. Any item that needs the attention of the Employer, or the DPSA that must be discussed and/or resolved must be identified and described to facilitate discussion with the relevant party (parties).
3. Escalated issues must not be hidden in the content of the report.

## CHAPTER 12: CONCLUSION

Provide final summary remarks.

## CHAPTER 13: DISCUSSION BY INDIVIDUAL DEPARTMENT IN THE IMPLEMENTATION AREA

The requirements in Chapter 2 apply mutatis mutandis for individual departmental/regional discussion/reporting.

### Part 1: Department of Agriculture

### Part 2: Department of Community and Safety

## ANNEXURES

List Annexures appended to report.



## ANNEXURE F

### CASE VOLUMES FOR THE RESPECTIVE IMPLEMENTATION AREAS

Implementation Area	Leave Cycle 2016 -2018				Leave Cycle 2019 -2021				Leave Cycle 2022 -2024			
	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications
<b>Eastern Cape Provincial Administration</b>	143 218	13 916	4 241	465	137 321	10 302	3 855	303	135 429	10 183	6 263	302
<b>Free State Provincial Administration</b>	63 261	11 394	2 201	284	64 537	8 692	1 593	149	61 699	9 660	2 284	183
<b>Gauteng Provincial Administration</b>	181 678	32 027	3 947	230	201 039	26 610	4 937	136	219 038	22 892	6 023	533
<b>KwaZulu-Natal Provincial Administration</b>	265 357	36 474	5 933	429	351 618	28 047	5 551	375	288 805	23 451	6 357	439
<b>Limpopo Provincial Administration</b>	117 890	6 050	1 554	190	114 864	4 898	1 697	225	115 679	4 897	1 610	255
<b>Mpumalanga Provincial Administration</b>	83 656	5 131	1 378	170	87 419	3 170	949	173	79 224	2 841	1 235	181



Implementation Area	Leave Cycle 2016 -2018				Leave Cycle 2019 -2021				Leave Cycle 2022 -2024			
	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications	No of Employees	Short Incapacity Leave Applications	Long Incapacity leave Applications	Ill-health Retirement Applications
<b>North West Provincial Administration</b>	79 319	8 030	1 319	109	86 960	4 950	1 102	99	82 091	5 714	1 540	156
<b>Northern Cape Provincial Administration</b>	30 751	5 476	1 508	48	31 719	4 094	1 407	60	25 761	4 094	1 657	62
<b>Western Cape Provincial Administration</b>	87 461	19 572	2 979	451	82 199	16 796	2 933	403	84 242	16 886	3 564	654
<b>Cluster 1 National Departments</b>	40 784	15 008	1 830	54	41 374	15 072	2 034	57	38 921	13 783	2 768	190
<b>Cluster 2 National Departments</b>	38 732	10 476	1 205	97	39 706	6 073	1 145	94	40 805	7 337	1 396	137
<b>Cluster 3 National Departments</b>	31 659	5 130	509	51	24 362	1 998	371	33	22 011	3 914	537	44
<b>Cluster 4 National Departments</b>	82 191	8 200	1 044	78	86 296	4 767	760	65	88 400	7 402	1 171	126



## Annexure G

### CHECKLIST FOR TECHNICAL REQUIREMENTS

Bidders are required to complete this Annexure which will serve as a checklist for them to ensure a complete response to the RFP. The checklist, together with the full proposal submitted, will assist evaluators in efficiently locating the technical responses, in relation to the Minimum Mandatory Criteria Evaluation requirements and the Substantive Evaluation Criteria requirements.

Section No in the RFP	Technical Requirements	Reference in Service Provider Proposal	Comments/Document Title

**AGREEMENT**

**ENTERED INTO BY AND BETWEEN**  
**THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA through its**  
**DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION**  
[HEREIN REFERRED TO AS "the DPSA"]

DULY REPRESENTED BY ..... IN HIS/HER CAPACITY AS

.....  
duly authorised thereto

**and**

..... (Pty) Ltd /CC  
Company/CC Registration Number: .....

**OR**

Name: .....  
Id No: .....

[HEREIN REFERRED TO AS "the **SERVICE PROVIDER**"]

DULY REPRESENTED BY ..... IN HIS/HER CAPACITY AS

.....  
duly authorised thereto by a Resolution of Directors/Members dated .....,  
attached hereto marked .....

**ANNEXURES**

- A. Terms of Reference
- B. [State other Annexures, if any – EG: Proposal /Quotation, Resolution of Directors etc]

**WHEREBY THE PARTIES AGREE AS FOLLOWS:****1. INTERPRETATION**

1.1 In this Agreement, unless the context otherwise indicates—

**"Agreement"** means the Agreement set out in this document and the Annexure/s attached hereto;

**"Letter of Award"** means the letter of award issued to the Service Provider by DPSA, dated.... [insert date]

**"POPIA"** means Protection of Personal Information Act, 2013 (Act No. 4 of 2013);

**"Terms of Reference"** means the Terms of Reference in Annexure A

**"Term"** means the term of this Agreement defined in **Clause 3** below;

**"Services"** means the functions and responsibilities to be provided by the Service Provider to DPSA in respect of the provision of goods and or services as detailed in the Terms of Reference as they may evolve or be supplemented;

**"staff"** means any employee, agent, consultant, sub-contractor or other representative of the Parties;

**"working days"** means any day, except Saturdays, Sundays and public holidays, in terms of the Public Holidays Act, 1994 (Act 36 of 1994), and shall be calculated exclusive of the first and inclusive of the last day.

1.2 In the Agreement, unless the context otherwise indicates—

(a) the masculine includes the feminine;

(b) the singular includes the plural; and

(c) any reference to a natural person includes a juristic person.

1.3 The headnotes to the clauses of the Agreement are included for reference purposes only and shall not affect the interpretation of the provisions to which they relate.

## 2. APPOINTMENT

- 2.1. The Service Provider is hereby appointed in accordance with the Letter of Award, to provide Services to DPSA under the Terms of Reference as attached in **annexure A**.
- 2.2. Subject to the provisions of the Terms of Reference, the Agreement generally, DPSA hereby appoints the Service Provider, on a non-exclusive basis, to provide the Services on the terms and conditions of this Agreement, and the Service Provider hereby accepts such appointment.
- 2.3. DPSA shall not be precluded from obtaining services that may be similar or identical to the Services from any other service provider and nothing contained herein shall in any way be construed or constitute a guarantee in favour of the Service Provider that the Service Provider will receive any work or contract for services in the future, whether under this Agreement or otherwise from.
- 2.4. The Service Provider shall report directly to.....[**state position, e.g. Director: Finance, rather than the name of an individual**], who shall be the Project Manager for purposes of the Agreement and provide all instructions to the Service Provider.
- 2.5. The Service Provider shall, within 10 working days, after the last signature of the Agreement, submit a draft workplan to the Project Manager for a written approval. The Service Provider and the Project Manager may from time to time agree in writing to amend the workplan.

## 3. COMMENCEMENT AND DURATION

- 3.1. The Agreement shall commence on the last date of signature to this agreement and shall terminate after a period of \_\_\_\_\_ [**State the duration of the contract**]
- 3.2. The Parties may, subject to their respective prescripts for extension, in writing agree to extend the term of the Agreement.

#### 4. FEES INVOICING AND PAYMENT

- 4.1. Fees under **Annexure "B"** (price schedule) are the only amounts payable by DPSA to the Service Provider for the Services or otherwise in connection with this Agreement, and no other charges, expenses, costs or other amounts incurred by the Service Provider will be chargeable to or payable by DPSA to the Service Provider.
- 4.2. The Service Provider will not be entitled to: (i) impose or seek payment of any amounts or charges under the Agreement other than the fees; (ii) establish any new types of charges under the Agreement; or (iii) modify any of the fees under the Agreement; unless DPSA has subject to the procurement policies and procedures agreed thereto in writing.
- 4.3. Payment shall be made once all deliverables as set out in the Terms of Reference are successfully delivered within 30 days after receipt by the DPSA of-
- (a) Satisfactory proof that the deliverables complies with the Agreement and the Terms of Reference; and
  - (b) An original specified invoice certified as correct by the Project Manager.
- 4.4. Each invoice will consist of or have attached statement of the total amount due which will be itemised per Goods delivered / Service rendered.
- 4.5. The Service Provider will verify that each invoice is complete and accurate and that it conforms to the requirements of the Agreement (including by carrying out detailed checks of each invoice) before issuing the invoice to DPSA.
- 4.6. All payments in terms of this clause shall be made into the banking account of the Service Provider as provided in writing to the DPSA.
- 4.7. Payment may only be withheld in terms of this clause if the Service Provider has failed to remedy a default or breach within the required time after written notice was given in terms of clause 14.

## **5. TAX, DUTIES AND CURRENCY ISSUES**

- 5.1. Unless otherwise specified, all Fees and expenses are recorded inclusive of Value Added Tax. The Service Provider will be financially responsible for all taxes associated with the Services and will comply with all applicable laws relating to tax and tax invoices.
- 5.2. All Fees set out in this Agreement are inclusive of any export and import tax, if applicable.
- 5.3. The Fees are stated in South African Rand and will be quoted, invoiced and paid in South African Rand. The Fees are not subject to adjustment due to any currency fluctuations for the duration of the Agreement.

## **6. HEALTH, SAFETY AND SECURITY PROCEDURES AND GUIDELINES**

- 6.1. The Service Provider will ensure that its personnel will at all times, whilst on the DPSA's premises, adhere to the standard health, safety and security procedures and guidelines applicable to DPSA's personnel, as such procedures and guidelines may be changed by DPSA from time to time and are available to the Service Provider on request. Should DPSA at any time have reason to believe that any member of the Service Provider's personnel is failing to comply with such standard health, safety and security procedures and guidelines, DPSA will be entitled to deny such member of Service Provider's personnel to any or all of location/s and require the Service Provider to replace such member of staff without delay.
- 6.2. The Service Provider hereby agrees and undertakes, in terms of section 37(2) of the Occupational Health and Safety Act, 1993, to ensure that the Service Provider and the Service Provider's staff comply with the aforesaid Act and accept sole responsibility for all health and safety matters relating to the provision of the Services, or in connection with or arising out of such Services, for the duration of this Agreement, including with regard to the Service Provider personnel and ensuring that neither DPSA's staff's health and safety is endangered in any way by the Service Provider's activities or conduct in providing the Services.

## 7. OBLIGATIONS OF DPSA

The obligations of the DPSA are as set out in the Terms of Reference.

*[OR state them hereunder]*

## 8. OBLIGATIONS OF SERVICE PROVIDER

The obligations of the Service Provider are as set out in the Terms of Reference.

*[OR state them hereunder]*

## 9. CONFIDENTIALITY, OWNERSHIP AND COPYRIGHT

- 9.1 A Party shall treat information furnished by the other Party or another person for purposes of the execution of the Agreement, as confidential. Subject to this clause, the Party so furnished with information shall not disclose such information to another person without the prior written consent of the other Party and shall take reasonable steps to ensure that such information is not disclosed to another person.
- 9.2 The DPSA shall become the owner of information and materials derived from the provision of services under the Agreement. The Service Provider shall submit all such information and material to the DPSA before or on the termination of the Agreement, on written request by the DPSA, without the right of retention.
- 9.3 The Service Provider shall not use any information or material derived from the provision of the services under the Agreement for any purposes other than those of the DPSA, except with the written approval of the DPSA.
- 9.4 The copyright in every work or any part thereof, in which copyright may subsist, created by the Service Provider, or any person performing work on the Service Provider's behalf, in the execution of the Agreement shall vest in the State and such works or part thereof, may only be reproduced, or disclosed to another person, with the written consent of the DPSA. The term "works or any part thereof", shall not be interpreted to include a work or part thereof in which

copyright already vests in the Consultant or another person and not created in the execution of the Agreement.

- 9.5 The Service Provider may use any experience or learning acquired in the execution of the Agreement, provided that such use may not be to the detriment of the DPSA.
- 9.6 This clause is severable from the Agreement and shall remain in effect when the Agreement terminates for whatever reason.

## **10. PROTECTION OF PERSONAL INFORMATION**

- 10.1. Each Party shall comply with its obligations under POPIA in respect of Personal Information collected and/or Processed in connection with the Agreement and the Services.
- 10.2. Each Party shall only provide, collect and/or Process the Personal Information:
- 10.2.1. in compliance with POPIA and where binding on a Party;
- 10.2.2. as is necessary for the purposes of this Agreement and the Services;
- 10.2.3. for maintaining its internal administrative processes, including quality, risk, client or vendor management processes;
- 10.2.4. for internal business-related purposes; and
- 10.2.5. in accordance with the lawful Purpose and reasonable instructions of DPSA as the Responsible Party.

## **11 AUDITS**

### **11.1 Audit Rights:**

- 11.1.1 The Service Provider will maintain a complete audit trail of financial and non-financial transactions resulting from the Agreement. The Service Provider will provide to DPSA, its internal or external auditors, inspectors and regulators access at all reasonable times to such facility or part of a facility at which either the Service Provider is providing the Deliverables and/or Services, to Service Provider Personnel, and to equipment, software, personnel, data, records and

documentation relating to the Deliverables and/or Services for the purpose of performing audits and inspections of the Service Provider to: (i) verify the accuracy of the Service Provider's Fees and invoices; (ii) verify the accuracy of payments by or credits from the Service Provider; (iii) verify the accuracy of price changes to the extent such changes are determined by reference to Service Provider's costs or changes thereto; (v) examine the Service Provider's performance of the Services or Deliverables, including verifying compliance with the industry standards; (vi) verify compliance with the terms of the Agreement; (vii) satisfy the requirements of any Applicable Law;

11.1.2 DPSA reserves the right to appoint a third party to perform an audit under this Clause.

11.1.3 The Service Provider will provide to the auditors, inspectors and regulators such assistance as they may require. In the case of audits, DPSA's audits will not unreasonably interfere with the Service Provider's normal course of business and will comply with the Service Provider's reasonable confidentiality requirements.

11.1.4 Unless DPSA has a good faith suspicion of fraud, DPSA will provide the Service Provider with reasonable notice for audits.

11.1.5 All costs incurred by DPSA in performing audits of the Service Provider will be borne by DPSA unless any such audit reveals a material inadequacy or material deficiency in respect of the Services including compliance with the relevant Applicable Laws, in which event the cost of such audit will be borne by Service Provider.

11.1.6 If an audit reveals an overcharge, the Service Provider will promptly refund the overcharge plus interest at Repo Rate, from the date of payment of the overcharge through the date the overcharge is refunded by Service Provider.

## **12. WARRANTIES**

12.1. The Service Provider hereby represents and warrants to DPSA that-

12.1.1. this Agreement has been duly authorised and executed by it and constitutes a legal, valid and binding set of obligations on it;

12.1.2. it is acting as a principal and not as an agent of an undisclosed principal;

12.1.3. the execution and performance of the terms and conditions of this Agreement does not constitute a violation of any statute, judgment, order, decree or regulation or rule of any court, competent authority or arbitrator or competent jurisdiction applicable or relating to the Service Provider, its assets or its

business, or its memorandum of incorporation or any other documents or any binding obligation, contract or agreement to which it is a party or by which it or its assets are bound;

- 12.1.4. it will provide the Services in a cost-effective manner, thereby ensuring that no unnecessary or extraordinary costs are incurred and passed on to DPSA;
  - 12.1.5. it will have the requisite insurance to cover for professional liability claims (to the extent that it may be applicable), that may be instituted against it;
  - 12.1.6. it has the necessary resources, skills and experience to render the Service and/or deliver the Deliverables to DPSA; and
  - 12.1.7. it is expressly agreed between the Parties that each warranty and representation given by the Service Provider in this Agreement is material to this Agreement and induced DPSA to conclude this Agreement.
- 12.2. The provisions of this Clause shall survive the termination of this Agreement.

### **13 INDEMNITY**

- 13.1 Without in any way detracting from DPSA's rights in terms of this Agreement, the Service Provider hereby indemnifies DPSA from any and all losses which may be suffered as a result of any breach of the warranties including the provisions of this Agreement by the Service Provider or Service Provider personnel.
- 13.2 In addition to any remedy available to DPSA, the Service Provider agrees to indemnify in full on demand and to keep DPSA so indemnified from and against all claims, demands, actions, proceedings and losses, which are made or brought against or incurred or suffered by DPSA resulting from any action arising from the Service Provider's breach of any obligation with respect to confidential information and/or personal information.
- 13.3. The Service Provider indemnifies the DPSA against any claims or court actions, including all legal costs in respect thereof, that may be instituted by any person against the DPSA arising out of any act, omission or default on the part of the Service Provider or, any person performing work on behalf of the Service Provider, in the provision of services under the Agreement.

**14. BREACH**

If a Party is in default or breach of any obligation which arises in terms of the Agreement and that defaulting Party fails to remedy such default or breach within 7 working days after receipt of a written notice given by the aggrieved Party calling upon the defaulting Party to remedy such default or breach, then the aggrieved Party may, without prejudice to any other rights which it may have in terms hereof or at law—

- (a) claim specific performance;
- (b) cancel the Agreement, such cancellation to be effective immediately on receipt by the defaulting Party of a written notice to that effect; or
- (c) claim any money due and payable in terms of the Agreement and claim damages from the defaulting Party.

**15. INDEPENDENT CONTRACTOR**

The Service Provider is employed as an independent contractor and not as an agent of the DPSA and has no authority to bind or represent the DPSA in any matter.

**16. GOOD FAITH AND REASONABLENESS**

In their dealings with each other for purposes of the Agreement, the Parties—

- (a) undertake to act in good faith and reasonably; and
- (b) warrant that they shall not do anything or shall refrain from doing anything that might prejudice or detract from the rights or obligations of each other.

**17. CONFLICT OF INTEREST**

17.1 Neither the Service Provider nor their staff shall engage in any activity which conflict with or could potentially conflict with the services to be provided in terms of the Agreement.

17.2 The Service Provider shall notify the DPSA immediately of any activities or circumstances which give rise to or could potentially give rise to such conflict of interest and shall inform the DPSA how the Service Provider intends dealing with such conflict.

## 18. **FORCE MAJEURE**

- 18.1 *Force majeure* shall be considered to be circumstances where the performance of any obligation in terms of the Agreement are suspended or postponed by-
- (a) strikes or lock-outs or any combination thereof by employees of either of the Parties;
  - (b) war or civil commotion;
  - (c) any cause, except as may otherwise be provided for in the Agreement, beyond the reasonable control of either of the Parties; and
  - (d) any natural disaster.
- 18.2 If the completion of any obligation be delayed as a result of *force majeure*, the Party who is unable to perform its obligation shall, within 7 working days of the occurrence of such *force majeure*, give notice thereof in writing to the other Party and request an extension of time in which to comply with its obligation. On receipt of such notice and supporting particulars of the claim, the other Party may in writing grant an extension of time as may be justified.
- 18.3 The Party who is incapable of performing its obligation shall not be liable for any such claim which the other Party may have as a result of such obligation not being performed provided that the reason why it cannot perform its obligation is due to *force majeure* and provided further that the notice referred to in 18.2 has been duly delivered.
- 18.4 In the event of *force majeure* continuing for a period of 7 working days, either Party shall be entitled to terminate the Agreement by written notice to the other Party and without any Party incurring any liability to the other Party.

## 19. **TERMINATION**

### 19.1. **Termination for cause by DPSA**

- 19.1.1. DPSA may, by giving notice to the Service Provider, terminate this Agreement or rendering of the Services in whole or part, as of a date set out in the notice of termination, in the event that the Service Provider-

- 19.1.1.1. breaches the confidentiality provisions of this Agreement;
- 19.1.1.2. breaches applicable laws;
- 19.1.1.3. is found guilty of an offence in terms of applicable laws;
- 19.1.1.4. commits an act of insolvency as defined in the Insolvency Act, 1936 (Act No. 24 of 1936) or is placed under provisional liquidation or under business rescue proceedings or is finally liquidated;
- 19.1.1.5. commits an act of professional misconduct or professional or technical incompetence, which is substantial and serious; or
- 19.1.1.6. commits or participates in any unlawful, dishonest or unethical act in executing this Agreement.

19.1.2. DPSA shall have no liability to the Service Provider with respect to a termination under this clause.

## **19.2. Termination Upon Sale, Acquisition, Merger or Change of Control**

19.2.1. In the event of a sale, acquisition, merger, or other change of control of the Service Provider (a "Change Event") where such Change Event is achieved, directly or indirectly, in a single transaction or series of related transactions, or in the event of a sale of all or substantially of all the assets of the Service Provider in a single or series of related transaction, then the Service Provider shall notify DPSA of such Change Event within ten (10) working days after the Change Event is achieved.

19.2.2. No sale, acquisition, merger or other change of control shall be effective against and legally binding on DPSA if the Service Provider failed to notify DPSA, as required by clause 19.2.1 above.

19.2.3. DPSA may terminate this Agreement, at any time after being notified by the Service Provider of the Change Event, by giving the Service Provider thirty (30)

days written notice designating a date upon which such termination shall become effective.

19.2.4. In the event that the Service Provider fails to notify DPSA, as required by clause 19.2.1 above, then DPSA may upon discovery of the Change Event terminate the Agreement by giving the Service Provider (30) days written notice and designating a date upon which such termination shall be effective.

19.2.5. DPSA shall have no liability to the Service Provider with respect to termination of the Agreement on terms of this clause.

19.2.6. "Control" in terms of this clause means, with regard to any entity, the right or power to dictate the management of and otherwise control such by entity by any of the following:

19.2.6.1. holding directly or indirectly the majority of the issued share capital stock (or other ownership interest if not a company) of such entity ordinarily having voting rights;

19.2.6.2. controlling the majority of the voting rights in such entity; or

19.2.6.3. having the right to appoint or remove directors holding a majority of the voting rights at meetings of the board of directors of such entity.

19.2.7. Any termination of this Agreement pursuant to the provisions of this clause shall be without prejudice to any prior claim, which either Party may have.

19.2.8. The DPSA may terminate the Agreement without prejudice to any of its rights upon the occurrence of any of the following:

(a) on commencement of any action for the dissolution and/or liquidation of the Service Provider, except for purposes of an amalgamation or restructuring approved in advance by the DPSA;

(b) the Service Provider receives a court order to be placed under judicial management, business rescue or to commence liquidation procedures that is not withdrawn or struck out within five working days;

(c) the Service Provider informs the DPSA that it intends to cease performing its obligations in terms of the Agreement;

(d) the Service Provider informs the DPSA that it is incapable of completing the Services.

19.2.9. The Service Provider shall receive remuneration for the services provided to the satisfaction of the DPSA up to the date of termination of the project.

19.2.10. Termination of the Agreement shall relieve the DPSA and the Service Provider of their respective obligations in terms of the Agreement.

19.2.11. The Service Provider shall not be entitled to advance a right of retention or any similar right if the Agreement is terminated in terms of this clause.

## **20. GENERAL TERMS AND CONDITIONS**

### **20.1 WHOLE AGREEMENT AND AMENDMENT**

This Agreement constitutes the whole of the Agreement between the Parties relating to the subject matter hereof and no amendment, alteration, addition, variation or consensual cancellation will be of any force or effect unless reduced to writing and signed by the Parties hereto or their duly Authorised Representatives. Any document executed by the Parties purporting to amend, substitute or revoke this Agreement or any part hereof, shall be titled an "Addendum" to the applicable Service Agreement and assigned a sequential letter to be included in the title.

### **20.2 INTERPRETATION OF AGREEMENT**

The law of the Republic of South Africa shall govern the interpretation of the Agreement.

### **20.3 NO ASSIGNMENT WITHOUT CONSENT**

The Service Provider shall not be entitled to assign, cede, sub-contract, delegate or in any other manner transfer any benefit, rights and/or obligations in terms of this Agreement, without the prior written consent of DPSA which consent shall if approved by DPSA in its sole discretion, be in compliance with the provisions of the PFMA and DPSA's procurement policies and procedures.

#### 20.4 ADVERTISING AND MARKETING

The Service Provider shall not make or issue any formal or informal announcement (with the exception of Authority announcements), advertisement or statement to the press in connection with this Agreement or otherwise disclose the existence of this Agreement or the subject matter thereof to any other person without the prior written consent of DPSA.

#### 20.5 JURISDICTION OF COURTS

If any legal proceedings arise from the provisions of the Agreement, both Parties submit to the jurisdiction of the courts of the Republic of South Africa.

#### 20.6 ENTIRE CONTRACT

The Agreement and the Annexures attached hereto constitute the entire contract between the Parties.

#### 20.7 VARIATION

No amendment, alteration, addition or suspension of any provision of the Agreement shall be of any force, unless reduced to writing and signed by both Parties.

#### 20.8 WAIVER

No waiver of any right in terms of the Agreement shall be binding for any purpose unless expressed in writing and signed by the Party concerned and such waiver shall be effective only in the specific instance and for the purpose given. No failure or delay on the part of either Party in exercising any right precludes any other or further exercise thereof or the exercise of any other right.

## 20.9 CESSION

A Party may not cede any right or obligation in terms of the Agreement to another person without the other Party's written consent.

## 20.10 INVALID PROVISIONS

If any provision of the Agreement contravenes any provision of the law, that provision shall be deemed to be void or the scope of the provision shall be deemed to have been limited to exclude such contravention, provided that if any Party—

- (a) can establish in a court of law that it is adversely affected or prejudiced thereby; or
  - (b) unsuccessfully relies on that provision in any legal proceedings,
- that Party may terminate the Agreement immediately.

## 20.11 INTERVENING CHANGES IN LAW

If any change in the law renders any material provision of the Agreement illegal or void, either Party may terminate the Agreement immediately.

## 20.12 SEVERABILITY

If any provision of the Agreement is or becomes invalid or unenforceable, such provision shall be divisible and be regarded as *pro non scripto* and the remainder of the Agreement shall be regarded as valid and binding unless materially affected.

## 21. COSTS

Each party shall bear and pay its own costs of or incidental to the drafting, preparation and execution of this Agreement.

## 22. AUTHORISED SIGNATORIES

- 22.1 The Parties agree that this Agreement and any contract document concluded in terms hereof shall not be valid unless signed by all authorised signatories of DPSA.
- 22.2 This Agreement is signed by the Parties on the dates and at the places indicated below.
- 22.3 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.
- 22.4 The persons signing this Agreement in a representative capacity warrant their authority to do so.

## 23. DOMICILIUM CITANDI ET EXECUTANDI

- 23.1 DPSA chooses as its *domicilium citandi et executandi* for the service of legal process and notices:

**(Insert details)**

- 23.2 The Service Provider chooses as its *domicilium citandi et executandi* for the service of legal process and notices:

**(Insert details)**

- 23.3 Each of the Parties shall be entitled at any time by way of written notice to the other Party, to change its *domicilium citandi et executandi* to another physical address.
- 23.4 Any notice in terms of the Agreement shall either be—
- (a) delivered by hand during normal business hours of the recipient; or
  - (b) sent by prepaid registered post to the address chosen by the addressee.

23.5 A notice in terms of the Agreement shall be considered to be duly received if—  
(a) hand-delivered on the date of delivery;  
(b) sent by registered post as indicated in clause 23.4(b), 10 days after the date it was posted,  
unless the contrary is proved.

23.6 Notwithstanding anything to the contrary contained or implied in the Agreement, the written notice or communication actually received by one of the Parties from the other, including by way of facsimile transmission, shall be adequate written notice or communication to such Party.

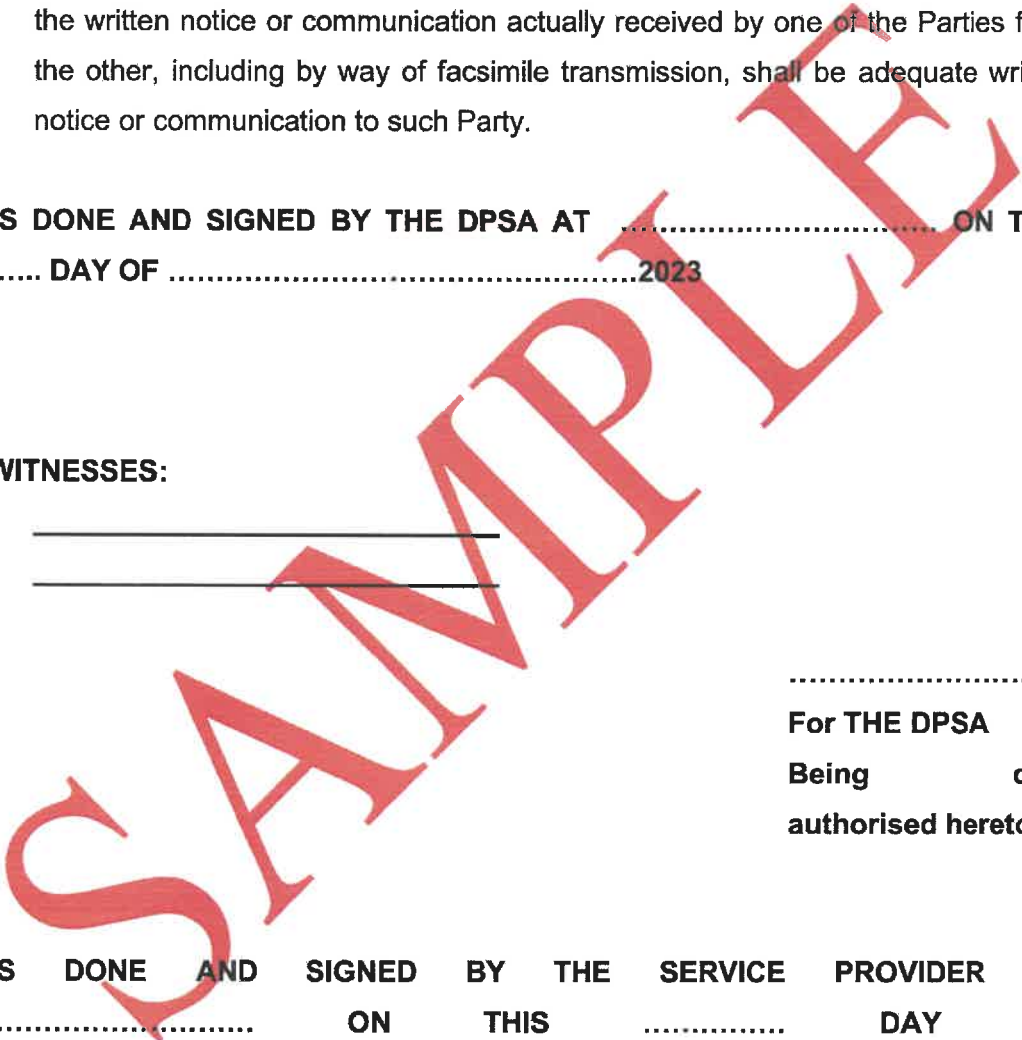
**THUS DONE AND SIGNED BY THE DPSA AT ..... ON THIS  
..... DAY OF ..... 2023**

**AS WITNESSES:**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

.....  
**For THE DPSA  
Being           duly  
authorised hereto**

**THUS   DONE   AND   SIGNED   BY   THE   SERVICE   PROVIDER   AT  
.....                   ON   THIS                   .....                   DAY           OF  
..... 2023**



**AS WITNESSES:**

1. \_\_\_\_\_
2. \_\_\_\_\_

.....  
**For SERVICE  
PROVIDER being  
duly authorised  
hereto**

**SAMPLE**

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

**9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

**10. Delivery and documents**

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

10.2 Documents to be submitted by the supplier are specified in SCC.

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

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

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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