



## REQUEST FOR QUOTATION (RFQ)

To:

From: Supply Chain Management

Attention: Service Providers

Tel. no.: 011 544-1000

RFQ  
Reference: RFQ/JHB/2023/188

Subject: RFQ/JHB/2023/188-THE APPOINTMENT OF A COMPANY OF ATTORNEYS TO PROVIDE DEBT COLLECTION SERVICES ON AS AND WHEN REQUIRED BASIS FOR THE PERIOD OF 36 MONTHS.

A quotation(s) **MUST** be submitted to: **4 Kikuyu Road**  
**Sunninghill**  
**Sandton**  
**2157**

Closing Date: **20 February 2024**

Closing Time: **11h00**

Quotation(s) must be addressed to THE SCM Department HEAD OFFICE before the closing date and time shown above.

**SUPPLIER TO NOTE:**

A) ALL QUOTATIONS MUST ONLY SUBMITTED TO THE PHYSICAL ADDRESS PROVIDED ABOVE

- B) THE GENERAL CONDITIONS OF CONTRACT WILL APPLY
- C) LATE / INCOMPLETE QUOTATIONS WILL NOT BE CONSIDERED
- D) ALL PRICING SHOULD BE SUMITTED ON THE SUPPLIER/SERVICE PROVIDER COMPANY LETTER HEAD.
- E) SERVICE PROVIDER/SUPPLIER ARE REQUESTED TO QUOTE THE RFQ NUMBER AND DESCRIPTION ON SUBJECT LINE OF THE EMAIL.

ITEM NO.	DESCRIPTION	Bidders are expected to indicate their discounted commission percentage offered to HDA	Description of applicable activities.	Max Offered	Discounted Percentage offered by the bidder
	THE APPOINTMENT OF A COMPANY OF ATTORNEYS TO PROVIDE DEBT COLLECTION SERVICES ON AS AND WHEN REQUIRED BASIS FOR THE PERIOD OF 36 MONTHS  See TOR attached.	1.	Early-Stage Collections	10%	
		2.	Late-Stage Collections	15%	

**EVALUATION CRITERIA**

The evaluation of Quotations is to determine whether the Bidder is capable of delivering the Goods/Services and works. Bidders will be evaluated according to the following Evaluation Criteria:

**Stage1- Adherence to Compliance checklist requirements,**

**Stage 2= Functionality, Bidder to meet a specific threshold to proceed to final (where applicable)**

**stage3: Price and Specific Goals**

Evaluation criteria	Weighting
Specific Goals	20
Price	80
<b>TOTAL</b>	<b>100</b>

**Price Evaluation:** The evaluation for price will be done based on the following formula:

**Evaluation:** The evaluation for price will be done based on the following formula:

**80/20**

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

Where

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

**Specific Goals Evaluation:** A bidder must submit proof or documentation to claim points for specific goals. A bidder failing to submit proof or documentation to claim points for specific goals will be interpreted to mean that preference points for specific goals are not claimed. The bidder may not be disqualified but will score 0 points out of 20 for specific goals.

The Specific Goals allocated points in terms of this tender	Number of Points	Proof / Documentation required to Claim Points for Specific Goals
<b>Size of Company (Maximum points = 7 points)</b>		
• EME	7	CSD and Sworn Affidavit
• QSE	5	CSD and Sworn Affidavit
• GE or others	3	Letter from Auditors or Authorised person confirming annual turn over
<b>Black Women Owned (Maximum points = 5 points)</b>		
75% - 100%	5	CSD and Sworn Affidavit
51% - 74.99 -	3	CSD and Sworn Affidavit
Below 51%	1	CSD and Sworn Affidavit
<b>Historically Disadvantaged South Africans* (maximum Points 2)</b>	2	CSD
<b>Youth (Maximum points 3)</b>	3	CSD and Sworn Affidavit
<b>Disabled People</b>	3	CSD and Sworn Affidavit

**\*Historically disadvantaged South Africans refers to any person, category of persons, or communities disadvantaged by unfair discrimination before the constitution of the Republic of SA, 1993 (ACT No. 2000 of 1993 come into operations.**

**DELIVERY PERIOD:** Suppliers are requested to offer their earliest delivery period possible.

Delivery will be effected within ..... working days from date of order. (To be completed by Service provider)

**REQUEST FOR QUOTATION**

**VALIDITY PERIOD:** THE HDA desires a validity period up to **90 days** against this Quotation. It should be noted that suppliers may offer an earlier validity period, but that their quotation may in that event, be disregarded for this reason.

This Quotation is valid until ..... (To be completed by Supplier)

YOUR REFERENCE: .....

**PAYMENT:**

Payment will be made upon completion of the works within 30 days from date of receipt of a correct tax invoice.

**NB: Compliance Checklist Requirements for all Services/Goods and works.**

**If you do not submit the following documents your Proposal/Quote will be disqualified automatically:**

No.	Description of requirement	
a)	Joint Venture / Consortium agreement / Trust Deed (where applicable)	
b)	CIDB (where applicable)	
c)	NHBRC (where applicable)	

**If the bidder does not submit the following documents, the bid will be considered non-compliant, and these documents must be made available should an award be made.**

No.	Description of requirement	
a)	Completion of All Standard Bidding Document (SBD1, SBD 4 and 6,1)	
b)	CSD supplier registration number for verification checks	

**NOTE:**

**Non-submission of information which will be scored on **functionality** will lose points on functionality (where applicable)**

**A bidder failing to submit proof or documentation to claim points for specific goals will be interpreted to mean that preference points for specific goals are not claimed. The bidder may not be disqualified but will score 0 points out of 20 for specific goals.**

**e-mail:**

	<b>Contact:</b>	
	<b>Signature:</b>	

## **Annexure A GOVERNMENT PROCUREMENT**

### **GENERAL CONDITIONS OF CONTRACT**

#### **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 anything 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 (NIP) Programme**

- 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.

## PART A INVITATION TO BID

### YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)

BID NUMBER:	RFQ/JHB/2023/188	CLOSING DATE:	20 February 2024	CLOSING TIME:	11h00
DESCRIPTION	THE APPOINTMENT OF A COMPANY OF ATTORNEYS TO PROVIDE DEBT COLLECTION SERVICES ON AS AND WHEN REQUIRED BASIS FOR THE PERIOD OF 36 MONTHS				

### BID RESPONSE DOCUMENTS MUST BE DELIVERED TO:

**4 Kikuyu Road**

**Sunninghill**

**2157**

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Njabulo Hlongwane	CONTACT PERSON	
TELEPHONE NUMBER	011 544 1000	TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	<a href="mailto:Njabulo.Hlongwane@thehda.co.za">Njabulo.Hlongwane@thehda.co.za</a>	E-MAIL ADDRESS	

### SUPPLIER INFORMATION

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE		NUMBER
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE		NUMBER
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	<b>OR</b>	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]

### QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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?

YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.**

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

<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: .....

**SBD4**

**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 institution	State

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

2.2.1 If so, furnish particulars:  
 .....

<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.

.....

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 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

<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.



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

**SBD 6.1****PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2022**

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

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

**1. GENERAL CONDITIONS**

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

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

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

*(delete whichever is not applicable for this tender).*

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

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

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

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

The maximum points for this tender are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	80
<b>Specific Goals</b>	20
<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).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

#### 80/20

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

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

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



**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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<b>Size of Company (7)</b>		
• EME	7	
• QSE	5	
• GE	3	
<b>Black women(5)</b>		
75% - 100%	5	
51% - 74.99%	3	
Below 51%	1	
Youth	3	
HDSA	2	
Disabled	3	

#### DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

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

**SURNAME AND NAME:** .....  
**DATE:** .....  
**ADDRESS:** .....  
.....  
.....  
.....

## TERMS OF REFERENCES

### 1. INTRODUCTION

The Housing Development Agency (“the HDA) is a national public development agency which promotes sustainable communities by making well located and appropriately planned land available for the development of human settlement. As an organ of state, the HDA is accountable through its Board to the Minister of Human Settlements

### 2. BACKGROUND INFORMATION

#### ***a. STATUS QUO***

The Housing Development Agency (HDA), established by the Housing Development Agency Act 23 of 2008, is seeking to appoint a qualified debt collection agency for a 36-month period. As a public entity, the HDA operates under the accountability of its Board to the Minister of Human Settlements. The proposed project involves the implementation of a comprehensive debt collection process comprising of **pre-legal**, **legal**, and **administrative** procedures.

#### ***b. PROBLEM STATEMENT***

The HDA faces challenges in recovering outstanding debts from tenants that have vacated our properties with unpaid arrears, necessitating the need for a strategic and efficient debt collection mechanism. The current process involves internal debt control procedures, final notices, and a handover to the appointed debt collector. However, an organized and professional debt collection system is required to enhance debt recovery outcomes.

### 3. OBJECTIVE OF THE PROPOSED PROJECT

#### ***a. DESIRED OUTCOMES FOR CARRYING OUT THE PROPOSED PROJECT***

The HDA aims to establish a structured debt collection system that improves the recovery of outstanding debt amounts. The desired outcomes include timely debt collection, accurate debtor information, and legal actions taken in case of non-

response. The project intends to optimize the overall debt recovery process for the benefit of the HDA.

***b. PROJECT BENEFITS TO THE HDA***

The procurement of a qualified debt collection agency is anticipated to result in improved debt recovery rates, efficient handling of legal processes, and streamlined administrative procedures. This, in turn, will enhance the financial position of the HDA and support its mission of promoting sustainable communities through housing development.

***c. CURRENT MECHANISMS IN PLACE TO ADDRESS THE PROBLEM***

Currently, the HDA employs internal debt control processes, issues final notices, and engages in a handover process to appointed debt collectors. However, a more comprehensive and professional debt collection mechanism is needed to address the challenges faced by the HDA in recovering outstanding debts.

**4. SCOPE OF WORK AND AREAS OF FOCUS**

***a. SCOPE OF THE DESIRED SOLUTION***

The desired solution encompasses a three-tiered collection process: PRE-LEGAL, LEGAL, and ADMINISTRATIVE. The collection process involves proactive reminders, legal actions, administrative procedures, and comprehensive reporting functions. The appointed debt collector is expected to operate within the framework of the HDA's Credit Control Policy.

***b. DETAILS ON THE PREFERRED SOLUTION***

The preferred solution involves engaging appropriately qualified debt collection agency for a 36-month period. The collection process includes various steps such as legal actions, administrative procedures, and adherence to the HDA's Credit Control Policy.



***c. TARGETED AREA BY THIS PROJECT***

The targeted area for this project is the efficient recovery of outstanding debts owed to the HDA. The project aims to cover all relevant rental accounts and debtors through the implementation of a structured and professional debt collection process.

***d. EXTENT AND COVERAGE OF THE PROPOSED PROJECT***

The proposed project covers the entire debt recovery process, including pre-legal, legal, and administrative procedures. It is designed to address outstanding debts owed to the HDA and ensure comprehensive coverage of all relevant accounts. This proposal forms part of the Request for Proposal (RFP) document, seeking qualified debt collection agency to support the HDA in enhancing its debt recovery processes.

**5. SPECIFICATION OF THE WORK OR PRODUCTS OR SERVICES REQUIRED**

The scope of service for this project shall entail the following activities:

**A. GENERAL REQUIREMENTS**

- All quotations/price must be valid for the duration of the service. No price escalations will be affected during the service period. The prices to be in Rands (including VAT if charged) and to be structured per month and total cost per contract term of service of your company.
- **Professional Memberships:** As a prerequisite, bidders must be registered with the Association of Debt Recovery Agents (ADRA) and the Law Society and/or comply with the Council for Debt Collectors Act No. 114 of 1998.
- Proof of such registration is mandatory and must be submitted along with the tender document.
- **Compliance with Laws and Regulations:** The selected debt collection agency must operate within the bounds of local laws, regulations, and the HDA's Credit Control Policy. Adherence to legal and ethical standards is imperative throughout the duration of the agreement.
-

## **B. EXPECTED DELIVERABLES.**

The HDA will require the successful bidders to provide the following:

- Tracing of all handed-over debtors.
- Locate debtors and information needed to succeed in recoveries.
- Obtain outstanding information from debtors where possible.
- Setting up and maintaining of debtor's files.
- Reporting on a monthly basis on the status of the various debtors handed over for collection as well as the successful collection of the capital amount collected.
- Provision of a service which is expedient, economical and feasible backed by experience, resources and appropriate technology.
- Negotiate and manage repayments plans.
- To conduct a recovery service by collecting and recovering all outstanding monies by means of telephonic, written Communication and/or legal process.
- To submit all relevant enquiries and requests obtained from the debtors in respect of the debts outstanding.
- To submit year-end reports regarding the status quo of debtors.

## **C. DURATION OF AGREEMENT**

The contractual agreement between the HDA and the appointed debt collection agency will be in effect for a fixed term of thirty-six (36) months. The terms and conditions specified in the Agency Agreement will govern the relationship during this period, with opportunities for renewal or termination under stipulated circumstances.

## **D. EXTENT OF COLLECTION PROCESS (Codes and standards)**

The collection process will consist of a pre-legal, legal and administrative process.

- a) The HDA will identify accounts to be handed over to the appointed collection agent **only** after certain internal debt control processes and/or procedures have been affected. These processes and/or procedures will include, but will not be limited to, the issue of final notices. The HDA will issue formal instructions to the appointed debt collector to collect such amounts owing to it, as it may decide from time to time.
- b) The HDA cannot guarantee the extent of the supply, or the volume of work to be carried out, as this tender comprises both assignment of specific tasks and ad-hoc allocations.

Bidders must note that demand variations in the required services will dictate the volume and frequency of the work required.

- c) Should the agent fail to perform to the satisfaction of the HDA and in terms of the Agency Agreement, the services of the said collection agent will be terminated at the discretion of the HDA. If terminated, all relevant documentation is to be handed back to the HDA and NO claims will be made against HDA in respect of outstanding arrangement Commissions, fees and / or costs.

### **E. PRE-LEGAL**

Process will entail the following:

- The HDA shall from time to time and in its discretion instruct the debt collection agent to collect any debt by delivering to the collection agent, electronically or any other form reasonably acceptable, details of the debt and debtor details as reflected on the HDA financial system to enable the collection agent to collect such debt.
- In the event that the current debtor information is incorrect or insufficient, the collection agent is to make use of any legal tracing method or access any relevant external data source/s to obtain correct debtor details. These details are to be submitted to the HDA in order to update records.
- Collection agent will issue reasonable pro-active reminders including personal contact, demand for payment in respect of all accounts handed over for collection.
  - Collection agent will allow sufficient time period for account holder to respond to reminders and / or personal contact.

### **F. LEGAL PROCESS**

will entail the following:

- The collection agent will, in the absence of sufficient response and / or proactive actions from account holder institute all necessary legal actions up to and including the granting of a warrant of execution.
- Issue summonses to defaulting account holders.
- Obtain default judgment against and blacklisting of defaulting account holders in terms of HDA's approved CREDIT CONTROL POLICY.
- Obtain emolument attachment and movable asset attachment order.

- Obtain court order for attachment and sale in execution of immovable assets.
- Prior written approval to be obtained from the Legal Manager in respect of the following legal proceedings:
  - (i) Blacklisting.
  - (ii) Attachment of movable assets.
  - (iii) Sale in execution of immovable assets.
  - (iv) Defended matters.
  - (v) Handling of all legal matters arising from hand-over account

## **G. ADMINISTRATIVE PROCESS**

will entail the following:

- Formal reversal of uncollectable debt accounts with detailed steps taken in the collection process and reasons why debt/s are deemed uncollectable.
- Recording and tracking of account enquiries and or disputes.
- Submission, in electronic format, of updated account holder details.
- Submission of formal arrangement documentation.
- Detailed reporting functions in respect of all related collection matters.

## **H. COMMISSIONABLE COLLECTIONS**

Commissionable collections will be considered only if the total or adjusted hand over amount on date of hand-over is paid to HDA and receipted in the HDA's financial system.

### **I. Commissionable Collections will include:**

- Amounts collected in terms of **formal debt repayment agreement** as prescribed by the HDA will only be Commissionable if receipted and if the conditions of agreement are adhered to for the duration of agreement.
- Amounts receipted in terms of court order and or judgment.
- Amounts receipted in terms of proceeds from "Sale in Execution" of movable or immovable assets.

**J. Commissionable Collections will exclude:**

- Any amounts collected by the collection agent in excess of the amount actually handed over or adjusted hand over amount even if such excess amount was collected as a result of error on the part of the HDA or collection agent.
- Adjusted portion of hand-over account due to administrative, billing or account enquiry error.
- Accounts withdrawn from hand-over process.

**K. COLLECTION OF PAYMENT**

- All payments are to be affected by debtors through the available payment methods which include electronic payments via financial institutions and debit orders.
- Payments are to be handed over to the HDA administration on a daily basis and should be recorded on a reconciliation sheet.

**L. WITHDRAWAL OF INSTRUCTIONS****HDA Instructions**

- The HDA may at any time instruct the collection agent to cease proceedings against any particular debtor and withdraw any such instruction in respect of the collection of amounts owing by any debtor.
- The HDA will not be required to submit reasons to the collection agent for withdrawal instruction.

**M. DEFENDED MATTERS**

In the event of the debtor indicating that matter will be defended, the collection agent shall report such fact to the HDA representative and shall only proceed with the prosecution of such action upon written instructions of the HDA representative.

**N. UNSUCCESSFUL COLLECTIONS**

- After a period of 04 (four) months from date of collection instruction being issued, the collection agent is to return the instruction and all relevant documentation to the HDA,
- if the debt is not paid in full or if no satisfactory arrangement has been concluded with debtor to pay outstanding debt; and
- the collecting agent has not received written instructions from the Legal Manager to proceed with legal action for the recovery of the debt.

- The HDA shall be entitled to call for reasons from the collection agent as to why no collection of debt was achieved and the collection agent shall be obliged to furnish such reasons to the HDA.

#### **O. GENERAL**

- The collection agent will refrain from having any contact or dealings with Debtor as from the date the withdrawal instruction is issued by HDA or if file is handed over due to unsuccessful collection.
- The collection agent will have no claim against any collections or payments made after the date of withdrawal of hand-over instruction.
- The HDA will not be liable for the payment of any costs incurred by the collection agent up to the time of withdrawal of instruction.

#### **P. SOFTWARE LINK**

- The appointed collection agent shall provide a suitable electronic link between the HDA's Computer system, and the computer system operated by the collection agent, to enable the HDA to transmit instructions to the collection agent electronically.
- The collection agent will ensure that their software is compatible, in all aspects, with the system of the HDA. All costs associated with the establishing and maintaining of a remote site facility will be for the costs of the collection agent.
- The computer link will further be utilized:
  - (i) To verify balance outstanding on any account in respect of which a hand-over instruction has been issued.
  - (ii) To ascertain whether or not payments have been made by the Debtor.
  - (iii) To verify current debtor's personal details.
  - (iv) To ascertain whether the debtor has made any settlement arrangements with the HDA.
  - (v) To record hand-over actions taken.
  - (vi) To record debt repayment arrangements entered into with account holder.

- (vii) To obtain such relevant account information as may be required in order to address account disputes and or enquiries.

#### **Q. AREA OF SERVICE**

The HDA reserves the right to appoint any bidder for any service delivery area within the Republic of South Africa and the bidder accepts the fact that it may not be appointed for a specific area(s) it offered to service in terms of this document.

#### **R. CONDUCT OF COLLECTION AGENT**

- The information supplied by the HDA or obtained by the collection agent shall not be used by the collection agent for any other purpose other than for the collection of the outstanding debt.
- The collection agent shall ensure that the HDA is not prejudiced or projected in an unfavorable manner and shall at all times act within the ambit of the law, the HDA Credit Control Policy and maintain acceptable customer care standards.

#### **S. INSURANCE**

##### **Professional Indemnity Insurance**

- The debt collection agency is obligated to maintain adequate Professional Indemnity Insurance coverage. This insurance is designed to protect against liabilities arising from errors or omissions in the execution of debt collection activities, ensuring financial security for both parties.
- The information supplied by the HDA or obtained by the collection agent shall not be used by the collection agent for any other purpose other than for the collection of the outstanding debt.
- The collection agent shall ensure that the HDA is not prejudiced or projected in an unfavorable manner and shall at all times act within the ambit of the law, the HDA Credit Control Policy and maintain acceptable customer care standards.

**T. FIDELITY FUND CERTIFICATE**

A valid Fidelity Fund Certificate must be held by the agency to guarantee the security of funds collected during the debt recovery process. This certificate is essential to instil trust and assurance in the handling of financial transactions.

**U. COMPLIANCE WITH LEGAL REQUIREMENTS**

The debt collection agency must comply rigorously with all legal requirements pertaining to insurance coverage for debt collection activities. Compliance ensures that the agency operates within the boundaries of the law and mitigates potential risks.

These detailed requirements, deliverables, and standards are vital components that will govern the successful execution of the debt collection agreement between the HDA and the appointed agency, fostering a transparent, compliant, and efficient debt recovery process.

**V. CONFLICT OF INTEREST**

- Bidders are required to confirm that to the best of their knowledge, the acceptance of their bid would not conflict with any interest, or with any other third party.
- Bidders are required to disclose any interest whatsoever in multiple tender submissions and relationships to the HDA and / or officials of the HDA. Bidder' failure to disclose such information will lead to rejection of their BID.

**W. TERMINATION.**

- The contract will terminate on completion of contract period or upon written notification by the HDA due to non-performance of contractor.
- NO commission or fees will be payable in respect of any collection made or payment received after the termination date of contract, irrespective of the type or reason for collection, including arrangement instalments.
- The Collection Agent will hand over all relevant material, progress reports and files in respect of unresolved matters on termination date.

**X. PROCESS AND CAPABILITY PROPOSAL**

Bidders are required to submit full details on the following collection processes and capabilities:



- Access to external debtor data information with clear distinction between Government, Provincial, Municipal and Private Sector data basis.
- Proposed methodology to be applied in respect of Pre-Legal and Legal Process.
- Legal capabilities.
- Anticipated timeframes in respect of all collection processes.
- Call centre capabilities.
- Network and Computer systems to be deployed.

## 6. DOCUMENTATION REQUIRED

The following documents must be completed in the format provided and signed where applicable and submitted as a complete set:

- A Company Profile including detailed CVs of all Key Personnel.
- The history of the Debt Collecting Agency and/or Legal Practice / Consultancy and experience of Key Personnel in practice management. Supporting documentation must be furnished to HDA such as:
  - a) Certified copies of Company registration documents or partnership agreements, with practice numbers, Practice Management Certificates
  - b) Admission Certificates (valid certified copies), and
  - c) Fidelity Fund Certificates (valid certified copies).

(Note: Failure to submit the aforesaid documentation, may lead to Bidders' proposals not being evaluated)

- The respective **backgrounds, fields of specialisation and relevant experience** of all Key Personnel.
  - (a) The background and experience of staff members who assist such Key Personnel (i.e. candidate attorneys, professional assistants and/or associates).
  - (b) A matrix or management structure indicating the names of all professional staff members who will be attending to HDA matters and their applicable attorney their business references (which will be verified);

- (c) Location of the legal practice, the proposals submitted by Bidders must be as comprehensive as possible.

HDA reserves the right to request further details or supporting documentation.

## 7. CONFIDENTIALITY

It will be expected that the service provider signs a Confidentiality Agreement.

## 8. EVALUATION METHODOLOGY

### 8.1. TRANSFORMATION PROCUREMENT

The HDA may transform its procurement spend by utilising the specific Goals.

### 8.2. EVALUATION PROCESS

Interested bidders for this project shall be evaluated in terms for their administrative responsiveness, substantive responsiveness, technical/functional (capacity testing) evaluation and preference points. The evaluation committee shall use the following Evaluation Criteria depicted in table 3 below for the selection of the preferred bidder that shall render / deliver the required works, goods and / or services.

<b>EVALUATION PROCESS</b>	
<b>Stage 1</b>	
Compliance	Administrative Responsiveness
	Substantive responsiveness (mandatory)
<b>Stage 2</b>	
Technical/Functional Criteria	Testing of capacity – meet minimum threshold of 70 points
<b>Stage 3</b>	
<b>Preference Points</b>	

Price	80
Specific Goals	20
<b>TOTAL</b>	<b>100</b>

Table 3 – evaluation process

**7.2.1 STAGE 1 - Administrative and Substantive Responsiveness (BEC to determine If a supplier / bidder do not submit the following documents the Proposal will be disqualified automatically.**

<b>No.</b>	<b>Description of requirement</b>	
a)	An admitted attorney, who is in good standing with the Legal Practice Council.	<b>Attached the valid LPC Document</b>
b)	A Fidelity Fund Certificate.	<b>Attached a valid certificate</b>
c)	Registration with an Association for Debt Recovery Agents.	<b>Proof of registration</b>
If the bidder does not submit the following documents, the bid will be considered non-compliant and these documents must be made available should an award be made.		
<b>No.</b>	<b>Description of requirement</b>	
a)	Completion of All Standard Bidding Document (SBD1, SBD 4 and 6.1)	
b)	CSD supplier registration number for verification checks	
c)	Joint Venture / Consortium agreement / Trust Deed (where applicable)	
d)	COIDA	

Table 4 – Administrative Compliance

**7.2.2 STAGE 2 - Technical / Functionality Requirements**

Qualifying bidders shall be evaluated on technicality / functionality after meeting all

compliance requirements outlined above. The minimum threshold for the technical/functionality requirements is 70 points. Bidders who score below the minimum requirement shall not be considered for further evaluation in stage 3.

Summary of the technical/functional requirements are presented in the table 5 below.

**Table 2:** Technical Evaluation Criteria

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS	TOTAL POINTS
<b>Related experience</b>	Experience in Debt Collection Services including Legal Collection  Points will be allocated for the number of years' experience of appropriate resources relevant to the bid:  09 and above years' experience = <b>25 Points</b>  7 - 9 years' experience = <b>15 Points</b>  5 - 6 years' experience = <b>10 Points</b>  0 – 4 years' experience = <b>0 Points</b>	<b>25</b>	<b>35</b>
	A bidder must provide a dated and signed letter of appointment within the past 5 years.  1 letter of appointment = <b>2 points</b> 2 letters of appointment = <b>5 points</b>	<b>10</b>	

<b>CRITERIA</b>	<b>SUB-CRITERIA</b>	<b>WEIGHTING/ POINTS</b>	<b>TOTAL POINTS</b>
	3 letters of appointment = 7 <b>points</b> 4 or more letters of appointment = 10 <b>points</b>		
<b>Capability</b>	In house Debt Collection software Bidders are expected to provide proof of having an in-house software or system for debt collection process that is currently in use highlighting how it deals with: - Sample reports - Accounts summary - Queries - Arrangements - Segmentation report	<b>5</b> <b>5</b> <b>5</b> <b>5</b> <b>5</b>	<b>25</b>
<b>In House Legal Division</b>	Bidders are required to provide proof of in-house legal division, where in all the legal processes of the debt collection function are performed (company profile with organisational structure, including qualifications of key personnel)	<b>20</b>	<b>20</b>
<b>Collection Methodology</b>	Bidders to provide a collection methodology =10 points collection programme including timeframes (including pre-legal and legal collection on unopposed matters) = 10 points	<b>20</b>	<b>20</b>

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS	TOTAL POINTS
<b>TOTAL</b>		<b>100</b>	<b>100</b>

### 10.3 STAGE 2 - FEE STRUCTURE

HDA currently has a book size of approximately **R4,534,925.46** per annum over the next 3 years.

NB: The following rates are applicable to the successful collection.

The fee structure will be commission based on the amount collected as is recommended as follows:

- Nil collections, nil fee
- A commission of 10% on amounts collected on Early-Stage Accounts.
- A commission of 15% on amounts collected on Late-Stage Accounts.

<b>Bidders are expected to indicate their discounted commission percentage offered to HDA</b>	<b>Description of applicable activities</b>	<b>Max Offered</b>	<b>Discounted Percentage offered by the bidder</b>
<b>1</b>	<b>Early-Stage Collections</b>	<b>10%</b>	<b>.....%</b>
<b>2</b>	<b>Late-Stage Collections</b>	<b>15%</b>	<b>.....%</b>

#### 10.2.3 STAGE 3 - PRICING AND SPECIFIC GOALS

***Include or attach detailed pricing schedule.***

The following formula shall be used by the Bid Evaluation Committee to score potential bidders on pricing:

**Price Evaluation:** The evaluation for price will be done based on the following formula:

**80/20**

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

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{max}$  = Price of highest acceptable tender

**Specific Goals** component of the evaluation process is weighted at 10 or 20 points in table 2 of the standard Evaluation Criteria outlined above. Bidders will be awarded points based on the points claimed for specific goals presented in the SBD 6.1 issued with the tender.

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

NAME OF BIDDER: .....	BID NO.: RFQ/JHB/2023/188
CLOSING TIME 11:00	CLOSING DATE: 20 JANUARY 2024

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
1.	The accompanying information must be used for the formulation of proposals.	
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)	
4.	RATE PER COLLECTION	DISCOUNTED PRICE
	-----	R-----

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

- |  |       |
|--|-------|
| 5. Period required for commencement with project after acceptance of bid | ..... |
| 6. Estimated man-days for completion of project For the backlog          | ..... |

Any enquiries regarding bidding procedures may be directed to:

Njabulo Hlongwane  
Tel: 011 544 1000  
Email: Njabulo.Hlongwane@thehda.co.za

Or for technical information –

Moses Mokhine  
Tel: 011 544 1000  
Email: Moses.Mokhine@thehda.co.za