the dr&pw

Department:
Roads and Public Works
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

DEPARTMENTAL SUPPLY CHAIN MANAGEMENT (SCM) *POLICY* AND STANDARD OPERATING PROCEDURE (SOP) *MANUAL*

Version 7

(July 2025)

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1. DEFINITIONS AND ACRONYMS

"Acceptable bid"	Means any bid which, in all respects, complies with the specifications and bid conditions. Also referred to as a "Responsive Bid".
"Acquisition Management"	Means a system that ensures that goods and services are acquired by the DR&PW in accordance with authorized procedures only and that expenditure on goods and services is incurred in terms of an approved budget.
"AG"	Means Auditor General. The Office of the Auditor General is an institution of state, established by Chapter 9 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). The Auditor General also functions in terms of the Public Audit Act, 2004 (Act No. 25 of 2004) and as amended by the Public Audit Amendment Act, 2018 (Act No. 5 of 2018).
"AO"	Means Accounting Officer, which refers to a person mentioned in section 36 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended. The AO is also the Head of Department (HOD) of the DR&PW.
"Asset"	Means a resource that we controlled by an institution as a result of past events and future economic benefits or service potential is expected to flow to the institution.
"BAC"	Means Bid Adjudication Committee, referring to the HOD appointed standing committee of the DR&PW responsible for the adjudication of bids.
"BEE"	Means Black Economic Empowerment.
"BEC"	Means Bid Evaluation Committee, referring to the HOD appointed standing committee of the DR&PW responsible for the evaluation of bids in order to ensure compliance with policy e.g. the national Preferential Procurement Policy Framework Act (PPPFA), 2000 and

	its Regulations.
"BBBEEA"	Means Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
"BBBEE"	Means Broad-Based Black Economic Empowerment.
"BSC"	Means Bid Specifications Committee, referring to the HOD appointed standing committee of the DR&PW responsible for the proper and unbiased compilation of specifications for the specific requirements that bids are invited for.
"Business interest"	Refers to: a) a right or entitlement to share in profits revenue or assets of an entity; b) a real or personal right in property; and c) a right to remuneration or any private gain or benefit in terms of (a) to (c).
"Bid"	Means a written offer in a prescribed or stipulated form in response to an invitation by an institution for the provision of goods or services through formal written price quotations.
"Bidder"	Means any natural of legal person submitting a bid.
"CFO"	Means Chief Financial Officer, referring to the CFO of the DR&PW.
"CIDB"	Means Construction Industry Development Board, which is a Schedule 3(a) public entity in terms of the PFMA and established in terms of the CIDB Act, 2000 (Act No. 38 of 2000).
"CIPC"	Means Companies and Intellectual Property Commission, which is a government agency of the South African Department of Trade, Industry and Competition. It is responsible for the registration and maintenance of companies and intellectual property rights, including patents, trademarks, and copyrights. The CIPC also enforces

	compliance with relevant legislation and ensures transparency and accountability in business operations.
"CoGTA"	Refers to the national Department of Cooperative Governance and Traditional Affairs.
"Competitive bidding process"	Means a competitive bidding process which provides for appropriate levels of competition to ensure cost effective and best value outcomes.
"Conflict of Interest"	Means a conflict between the private interests and the official responsibilities of a person employed by government and specifically a member of a departmental bid committee, who was put in a position of trust. In the bidding process, a conflict of interest is understood to be a situation that may give a bidder an "unfair advantage" over other bidders. Once a conflict is discovered, the advantaged bidder's bid will have to be disqualified from the process.
"Contract"	Means a formal written agreement which results from the acceptance of a bid.
"Contract participation goal"	Is the value of the participation of a specific target group that a contractor must achieve in the performance of a contract, expressed as a percentage of the bid sum less provisional sums, contingencies and VAT.
"Contractor"	Means any natural or legal person whose bid has been accepted.
"Contract Management"	Means maintaining control or influence over the contractual arrangements between the institution and the contractor of service provider including administering and regulating such agreement.
"CSD"	Means Central Supplier Database. The CSD is a single database that serves as the source of all supplier information for organs of state. The supplier information is verified with institutions such as

	the South African Revenue Service (SARS), the Companies and Intellectual Property Commission and the national Department of Home Affairs.
"DARDLR"	Refers to the national Department of Agriculture, Rural Development and Land Reform.
"DBC"	Means District Bid Committee.
"DDM"	Means District Development Model. The DDM aims, amongst others, to break away from the silo mentality of working in government and introduces a new approach. The DDM was adopted by cabinet on the 21st of August 2019 and is an operational model for improving Cooperative Governance, aimed at building a capable, ethical Developmental State. It embodies an approach by which the three spheres of government and state entities work in unison in an impact-oriented way, and where there is higher performance and accountability for coherent Service Delivery and development outcomes. The DDM focuses on implementation of immediate priority projects, stabilization of local government and long-term institutionalization of integrated planning, budgeting and procurement.
"Declaration of Interest"	Refers to a declaration made by both bid committee members and bidders whether or not any relationship exists between the supplier (bidder) of any goods or services and any person employed by the state (government official), particularly officials who are involved in the tendering process.
"Delegations"	Is the assignment of any authority to another person (normally from a manager to a subordinate) to carry out specific activities.
"Demand management"	Means the planning process that ensures that the resources required to support the strategic objectives are delivered at the correct time, at the right price, location, quantity and quality that will satisfy the needs.

"Debt"	Means an amount owing to the institution.
"Department / (DR&PW)"	Means Department of Roads and Public Works, Province of the Northern Cape.
"Disposal Management"	Refers to the system for the disposal or alienation of assets, including unserviceable, redundant or obsolete assets.
"DO"	Means Delegated Official, which is a staff user for an employer organization who has been approved by an Authorized Official of the organization.
"DPSA"	Means the national Department of Public Service and Administration.
"DPME"	Refers to the national Department of Planning, Monitoring and Evaluation.
"DTI"	Means the national Department of Trade and Industry.
"Expropriation Act"	Refers to the Expropriation Act, 2024 (Act No. 13 of 2024).
"EME"	Means Exempted Micro Enterprise, in terms of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), which makes provision for a set of Codes of Good Practice (Government Gazette Nr. 36928) to define requirements for becoming BBBEE compliant.
"Emergency"	Means an unexpected act of a dangerous situation requiring immediate action.
"EXCO"	Means the Provincial Executive Council. EXCO consists of the political principals of the executive branch of government in the Province, namely the Premier, who is the chairperson and the Members of the Executive Council (MECs), who are the members of EXCO. The executive authority of provinces is outlined in section 125 of the Constitution of the Republic of South Africa Act, 1996.

"Final award"	Referred to in relation to bids or quotations submitted for a contract; means the final decision on which a bid or quote is accepted.
"Financial system"	Refers to the transversal systems called the Basic Accounting System (BAS) and the Logistical Information System (LOGIS) or such other system as approved by National Treasury.
"Formal Written Quotation"	Refers to the conditions for the procurement of goods or services through written price quotations.
"Functionality"	Means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working operating into account, amongst other factors, the quality, reliability, viability and durability of a service or commodity and the technical capacity and ability of a bidder.
"GCC"	Means General Conditions of Contract. The general conditions section is the portion of the contract document in which the rights, responsibilities, and relationships of the parties involved are itemized. It defines each contracting party's duties and privileges, and the rules that will govern the relationship. In short, the general conditions section is the backbone of the entire contract.
"GEAR"	Refers to the National Government's Growth, Employment and Redistribution Macroeconomic Strategy of 1996.
"GMT"	Means Greenwich Mean Time, the mean time that is associated with the prime meridian of Greenwich, England, and historically used as the prime basis of standard time throughout the world.
"HDI"	Means Historically Disadvantaged Individual and specifically refers to a South African citizen: a) who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 10 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993)

	("the Interim Constitution"); and/or b) who is a female; and/or c) who has a disability; and d) provided that a person, who obtained South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be an HDI.
"IAC"	Means Internal Audit Committee, which is an independent committee constituted to, amongst others, review the control, governance and risk management within the DR&PW, established in terms of section 77 of the PFMA. According to section 38(1)(a)(ii) of the PFMA, 1999, as amended, the accounting officer for a Department, trading entity or constitutional institution must ensure that *"a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77"* is established and maintained.
"IDP"	Means Integrated Development Plan, which is a municipal plan, developed by means of a (public) participatory planning process aimed at integrating sectoral strategies, in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population, in a manner that promotes sustainable growth, efficiency and the empowerment of the poor and the marginalized. An IDP may be regarded as a business plan for the municipality, through which it fulfils its developmental Service Delivery mandate, in line with relevant legislation.
"JV"	Means Joint Venture. A JV is an association of firms of which at least one of the partners is an emerging partner for which purpose they combine their expertise, property, capital, efforts, skills and knowledge to execute a contract. For South African emerging contractors this must entail empowerment through capacity building based on democratic, participatory, and developmental strategies.
"IGRFA"	Means Intergovernmental Relations Framework Act, 2005 (Act No.

	13 of 2005).
"In the service of the State"	Refers to any of the following: (a) a member of: (i) any provincial legislature; (ii) any municipal council; or (iii) the National Assembly or the National Council of Provinces; (b) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended; (c) a member of the accounting authority of any public entity; or (d) an employee of a provincial legislature.
"IT"	Means Information Technology.
"List of accredited prospective providers or central supplier database"	Means the list of accredited prospective providers or suppliers registered on the central supplier database by National Treasury.
"Local content"	Means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place.
"Logistics Management"	Refers to an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.
"Long term contract"	Means a contract with a duration period exceeding one (1) year.
"MANCO"	Means Management Committee, referring to the Senior Management Committee of the Department of Roads and Public Works, Province of the Northern Cape.

"MEC"	Means Member of the Executive Council, referring to the member of the Executive Council that is responsible for Roads and Public Works in the Province of the Northern Cape. The MEC is the Executing/Executive Authority, as defined in section 1(1) of the Public Service Act, 1994 (Act No. 103 of 1994), as amended, except with regard to the appointment and other career incidents of a Head of Department (HOD), in which case it means the Executing Authority as contemplated in section 3B of the abovementioned Act. The MEC is also accountable to the Northern Cape Provincial Legislature (NCPL).
"M&E"	Means Monitoring and Evaluation.
"MPAT"	Means Management Performance Assessment Tool, which is a South African government initiative introduced in 2010, with the aim of giving impetus to the entrenchment of monitoring and evaluation (M&E) practices, with a specific focus on the monitoring of management practices within organs of government.
"Multiple source bidding"	Means a form of bidding where the market has been tested through a detailed market analysis, and there are only a few prospective service providers that are able to provide the service.
"NCPL"	Refers to the Northern Cape Provincial Legislature.
"NCPG"	Means Northern Cape Provincial Government.
"NCPT"	Means Northern Cape Provincial Treasury, established in terms of section 17 of the Public Finance Management Act (PFMA) (Act No. 1 of 1999), as amended.
"NGO"	Means Non-governmental Organisation.
"NT"	Means National Treasury, which is a national government department established by section five (5) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended.

"Other applicable legislation"	Means any other legislation applicable to provincial supply chain management referred to in section 4 of this policy.
"PAJA"	Means Promotion of Administrative Justice Act (PAJA), 2000 (Act No. 3 of 2000) as amended.
"PFMA"	Means Public Finance Management Act (Act No. 1 of 1999), as amended).
"PIA"	Means Protection of Information Act (PIA), 1982 (Act No. 84 of 1982).
"POCA"	Means Prevention of Organized Crime Act, 1998 (Act No. 121 of 1998).
"POPIA"	Means Protection of Personal Information Act, 2013 (Act No. 4 of 2013).
"PPA"	Means Public Procurement Act, 2024 (Act No. 28 of 2024).
"PPP"	Means Public Private Partnership.
"PPPFA"	Means Preferential Procurement Policy Framework Act (Act No. 5 of 2000).
"PRECCA"	Means Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 2 of 2004).
"Prescribe"	Means prescribed by regulation or instruction in terms of section 76 of the Public Finance Management Act (Act No. 1 of 1999), as amended.
"Provincial department"	Means a provincial administration listed in Schedule 1 of the Public Service Act, 1994 (Act No. 103 of 1994), as amended; or a department within a provincial administration and listed in Schedule 2 of that Act.

"Provincial government business enterprise"	Means an entity which: (a) is a juristic person under the ownership control of a provincial executive; (b) has been assigned financial and operational authority to carry on a business activity; (c) as its principal business, provides goods or services in accordance with ordinary business principles; and (d) is financed fully or substantially from sources other than: (i) a Provincial Revenue Fund; or by way of a tax, levy or other statutory money.
"Provincial public entity"	Refers to an entity that is: (a) a provincial government business enterprise; or (b) a board, commission, company, corporation, fund or other entity (other than a provincial government business enterprise) which is: (i) established in terms of legislation or a provincial constitution; (ii) fully or substantially funded either from a Provincial Revenue Fund or by way of a tax, levy or other money imposed in terms of legislation; and (iii) accountable to a provincial legislature.
"PSP"	Means Professional Service Provider, which refers to an independent contractor who is a specialist and/or has the expertise, as demonstrated by professional licensing or certification and experience, necessary to carry out tasks regarding that particular field of expertise.
"Public entity"	Means a national or provincial public entity.
"Rate only bid"	Means a rates-based bid for the supply of goods and services.
"RDP"	Refers to the National Government's Reconstruction and Development Programme Policy Framework of 1994.

"Regulation"	Means the Regulations published in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended, Gazette Number 25767, dated 05 December 2003.
"Requisition (SLD)"	Refers to the official request form to be completed, signed and approved by the delegated officials, and recommended by the Asset Management Unit (AMU). The AMU must be notified before an asset is purchased. They must recommend the purchase on the requisition form (SLD) before SCM procedures are followed. Assets required by the DR&PW are to be acquired in the most cost-effective manner.
"RFP"	Means Request for Proposal, which is a market enquiry prepared by the buyer (DR&PW) and issued to prospective suppliers for higher value and/or more complex solutions. The purpose is to invite commercial offers from a number of suppliers in order to secure competition, and to gather information about the supplier's solutions and capability, and key market intelligence. The selection of a Request for Proposal, as opposed to a Request for Bids usually reflects the fact that the specification is not a conformance specification, which requires complete adherence to the buyer's standards, but rather that bidders are free to submit potential solutions which may meet the performance required. Price is usually not the determining factor in the evaluation of an RFP. Factors such as quality, service, and reputation are also taken into consideration.
"Risk Management"	Refers to a systematic and formalised process to identify, assess, manage and monitor departmental risks in the supply chain management system. Risk management is the identification and evaluation of actual and potential risk areas as they pertain to the DR&PW as a total entity, followed by a process of either avoidance, termination, transfer, tolerance (acceptance), exploitation, or mitigation (treatment) of each risk, or a response that is a combination or integration. Accountability for proper Risk Management rests with the Executive Management of the DR&PW, which fulfils the role of a Board of Directors, compared to a private company. Every employee in an organization however, has responsibility for risk management. Risk management therefore has

	to be fully integrated into the daily operations of the Department.
"RMC"	Means Risk Management Committee, a departmental committee of the DR&PW. The RMC is appointed by the Accounting Officer to, amongst others; review the Department's system of fraud prevention and risk management.
"SABS"	Means South African Bureau of Standards.
"SANAS"	Means South African National Accreditation System, which is the only national body responsible for carrying out accreditations in respect of conformity assessment, as mandated through the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006).
"SAPS"	Means South African Police Service.
"SARB"	Means South African Reserve Bank.
"SARS"	Means South African Revenue Service.
"SBD"	Means Standard Bidding Document.
"SCC"	Means Special Conditions of Contract. SCC refers to any additional conditions of contract agreed between the Parties. Special conditions are provisions of a contract that are peculiar to the project under consideration and do not fall under the general conditions of contract.
"SCM"	Means Supply Chain Management.
"SCM-BCC"	Means Supply Chain Management - Bid Compliance Committee, which is a committee internal to the SCM Directorate of the DR&PW, which will be constituted at the discretion of the Senior Manager: (i.e. Director) SCM.

"SITA"	Means State Information Technology Agency.
"SLA"	Means Service Level Agreement.
"SMME's"	Means Small, Medium and Micro Enterprises.
"SMS"	Means Senior Management Service.
"SOP"	Means Standard Operating Procedure, which refers to established or prescribed methods, processes and procedures to be followed routinely for the performance of designated operations or in designated situations. An SOP is thus a set of written instructions that describes the relevant step-by-step activities of a process or procedure that must be taken to properly perform a routine activity. SOPs should be followed the exact same way every time to guarantee that the institution remains consistent and in compliance with relevant laws, regulations, norms and standards.
"SSA"	Means State Security Agency.
"Term Contract"	Means a bid for supply of goods and services which are of an *ad hoc* or repetitive nature, approved for use over a predetermined period of time.
"ToR"	Means Terms of Reference. Terms of Reference refer to the instructions given to someone when they are asked to consider or investigate a particular subject, telling them what they must deal with and what they can ignore.
"Transversal Contract"	Means a contract arranged for *more* than one (1) department or for more than one (1) level of government, e.g. national as well as provincial government.
"Treasury"	Means the National Treasury or a provincial treasury, as may be appropriate in the circumstances.

"Treasury guidelines"	Means any guidelines on supply chain management issued by the Minister of Finance in terms of section 76(4)(c) of the PFMA, 1999, as amended.
"VAT"	Means Value Added Tax.
"QSE"	Means Qualifying Smaller Enterprise, in terms of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), which makes provision for a set of Codes of Good Practice (Government Gazette Nr. 36928) to define requirements for becoming BBBEE compliant.
"Quotations"	Means verbal or written prices offers.

2. INTRODUCTION

2.1 The purpose of this document is to formalize the DR&PW's supply chain management policy and procedures within the context of the Supply Chain Management Regulation 16A, which will be brought into effect through this policy framework, consisting of the following three components:

a) Directives, which provide specific direction on supply chain management and key decision points.

b) Delegations which assign specific responsibilities to DR&PW role-players in terms of section 38(1) of the PFMA, 1999, as amended.

c) Business processes, which align the DR&PW's day-to-day's procedure with the overall requirements of the policy, directives and delegations.

2.2 This Supply Chain Management (SCM) Policy represents the minimum standards that staff members are expected to apply in their procurement activities. This SCM SOP Manual must be read together with and shall be interpreted within the framework of the Supply Chain Management Policy and other policies and procedures of the South African government. The overall objective of this Policy and SOP Manual is to:

a) ensure the efficient, effective and uniform planning for and procurement of all services and goods required for the proper functioning of the DR&PW, as well as the sale and letting of assets that conform to constitutional and legislative principles, whilst developing, supporting and promoting Historically Disadvantaged Individuals (HDI's), Small, Medium and Microenterprises (SMME's) and preferential goals;

b) ensure that the DR&PW obtain value for money in the procurement of goods and services in order to fulfil its mandate, while redressing the economic imbalances that have been a consequence of unfair discrimination;
c) ensure the efficient, effective and uniform management of goods and services;
d) ensure good governance through the departmental supply chain processes; and
e) ensure that the DR&PW's strategic objectives are achieved.

3. BACKGROUND

3.1 In September 2003, Cabinet adopted the Supply Chain Management (SCM) policy to replace outdated procurement practices. The SCM framework is characterized by a number of key differences in comparison to previous procurement practices, including:

a) moving away from central control by National Treasury and the State Tender Board towards increased responsibility and accountability by the accounting officer of each department;
b) introducing a preference point system to address socio-economic issues, value for money and the scoring of bids, thereby facilitating the move away from relying solely on the traditional practice of only accepting the lowest price bid;
c) introducing uniformity in bid documentation to reduce uncertainty amongst bidders;
d) linking procurement practices to the planning and budgetary process through the introduction of demand management practices; and
e) advancing the procurement of goods and services from suppliers and designated groups within the Northern Cape Province.

3.2 In addition, the Preferential Procurement Regulations of 2022, issued by the National Treasury took effect in January 2023. The new regulations expand the aims of preferential procurement and strengthen the discretion of state institutions to implement their own policies dealing with procurement. This must be viewed against the background of the successful 2022 Constitutional Court challenge against the validity of the previous set of Preferential Procurement Regulations of 2017. In this case the Constitutional Court upheld the challenge and ruled that the practice of using pre-qualification criteria that effectively disallowed certain bidders from participating in a tender was unlawful and not in line with the Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 05 of 2000). The Court thus declared the Preferential Procurement Regulations of 2017 to be invalid and set them aside in their entirety.

3.3 A fundamental difference between the invalid Preferential Procurement Regulations of 2017 and the new Preferential Procurement Regulations of 2022 therefore, relate to the application of pre-qualification criteria. The 2022 Regulations no longer provide for the use of such

pre-qualification criteria. The Regulations of 2022 also allow for discretion for procuring institutions when allocating preference points.

3.4 The Preferential Procurement Regulations of 2022 have been put in place before the enactment of the Public Procurement Act of 2024 (Act No. 28 of 2024).

3.5 The Public Procurement Act of 2024 holds significant importance for provincial SCM in South Africa for public procurement across all spheres of government, including provincial institutions of state. The Public Procurement Act, 2024 namely transforms provincial SCM by fostering a transparent, equitable, and efficient procurement environment that supports economic transformation, local industry, and good governance.

3.6 This Supply Chain Management (SCM) Policy will also cater for the implementation of the District Development Model (DDM) as far as relevant provincial infrastructure maintenance and development is concerned. The DDM aims to ensure maximum coordination and cooperation among all three spheres of government (national, provincial, and local) to address Service Delivery issues and infrastructure development and maintenance. This model seeks to integrate human settlement, economic activity, and the provision of basic services, which are crucial aspects of SCM regarding provincial infrastructure planning, budgeting, procurement, and execution.

3.7 The DDM emphasizes joint planning and execution through a collaborative process to develop One Plans for all districts and metropolitan municipalities, which will be synchronized with Integrated Development Plans (IDPs) of district municipalities. This approach is designed to enhance the efficiency and effectiveness of SCM by fostering a more cohesive and aligned approach to infrastructure development across different levels of government.

3.8 The success of the DDM regarding provincial infrastructure SCM depends on several factors, including organizational re-modeling and organizational culture, as well as behavioral changes within the public sector and the alignment of private and public sector stakeholders, and the implementation of effective policies and regulations.

3.9 There are specific regulations for the implementation of the District Development Model (DDM) in South Africa. These regulations are called the Regulations Framing the Institutionalization of the District Development Model, 2024, which came into operation to provide a formal framework for coordinating and institutionalizing the DDM across government spheres.

3.10 In addition to the regulations, the DDM implementation is guided by an Implementation Framework developed by National Treasury, the DPME, CoGTA, and DARDLR, which outlines key milestones, roles, and processes for *integrated planning and delivery* across government spheres.

3.11 Overall, the regulations and frameworks together ensure that the DDM is institutionalized through formal governance structures, coordinated planning, and aligned budgeting and SCM processes to enhance Service Delivery.

3.12 The DDM regulations are based on the constitutional provisions governing cooperative governance and local government in South Africa on the one hand, but are also explicitly based on the Intergovernmental Relations Framework Act of 2005 (Act No. 13 of 2005). The previously mentioned DDM regulations have been promulgated in terms of Section 47(1)(b) of the Intergovernmental Relations Framework Act (IGRFA), which is, in turn, aligned to the principles for cooperative governance as outlined in the South African Constitution, 1996.

3.13 The new Expropriation Act of 2024 (Act No. 13 of 2024) is also relevant to provincial infrastructure SCM, as it grants expropriation authority to various state entities across national, provincial, and municipal spheres of government. This includes the ability to expropriate property for a public purpose or in the public interest, which can be critical for infrastructure projects that require land acquisition, for example.

3.14 The Expropriation Act, 2024 also sets out a detailed process and rules for determining the appropriate compensation payable by the government to the landowner, which is a crucial aspect of SCM, as it ensures that the acquisition of land for infrastructure projects is conducted in a fair and lawful manner.

3.15 Moreover, the above mentioned Expropriation Act's provisions extend beyond land to encompass both movable and immovable assets, ensuring comprehensive coverage of property types subject to potential expropriation, which is essential for managing the diverse needs of infrastructure projects.

3.16 The Expropriation Act, 2024 thus plays a significant role in facilitating the acquisition of land and assets necessary for provincial infrastructure projects, ensuring that such acquisitions are conducted in accordance with legal and procedural standards.

4. REGULATORY FRAMEWORK

4.1 This departmental policy is aligned to what the Northern Cape Provincial Government (NCPG) resolved in terms of Section 76 (4)(c) of the Public Finance Management Act (PFMA), 1999, as amended and Chapter 16A of the Treasury Regulations, promulgated in Government Gazette Number 27388 on 15 March 2005, to implement a Supply Chain Management (SCM) Policy that gives effect to:

a) Section 217 (1) of the Constitution of the Republic of South Africa, 1996.

b) Section 38 (a) (iii) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended.

c) The Public Procurement Act of 2024 (Act No. 28 of 2024).

d) The Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 05 of 2000).

e) The Preferential Procurement Regulations, 2022:

(1) Subject to this regulation, the Preferential Procurement Regulations, 2017, published in Government Gazette No. 40553 of 20 January 2017, are hereby repealed, with effect from the date referred to in regulation 11.

(2) Any tender advertised before the date referred to in regulation 11 must be dealt with in terms of the Preferential Procurement Regulations, 2017.

f) The Reconstruction and Development Programme (RDP) Policy Framework, 1994.

g) The Growth, Employment and Redistribution (GEAR) Macroeconomic Strategy, 1996.

h) The principles of fairness, equity, transparency, competitiveness and cost effectiveness and complies with:

(i) prescripts as per Chapter 16A of the Treasury Regulations;

(ii) minimum Norms and Standards prescribed by National Treasury as well as the Northern Cape Provincial Treasury;

(iii) the Regulatory Framework for Supply Chain Management (SCM) in terms of the PFMA, 1999.

4.2 Other applicable legislation this departmental policy is consistent with, are as follows:

a) The Broad Based Black Economic Empowerment Act (BBBEEA), 2003 (Act No. 53 of 2003) and Codes of Good Practice to define requirements for becoming BBBEE compliant, as gazetted on 11 October 2013 (Government Gazette No. 36928).

b) The Prevention and Combating of Corrupt Activities (PRECCA) Act, 2004 (Act No. 2 of 2004).

c) The Prevention of Organized Crime Act (POCA), 1998 (Act No. 121 of 1998).

d) The Competition Act, 1998, (Act No. 89 of 1998), as amended and Regulations.

e) The Promotion of Administrative Justice Act (PAJA), 2000 (Act No. 3 of 2000) as amended;
f) The National Archives of South Africa Act, 1996 (Act No. 43 of 1996) and Regulations;
g) The National Small Business Act, 1996 (Act No. 102 of 1996), as amended.
h) The Construction Industry Development Board (CIDB) Act, 2000 (Act No. 38 of 2000) and all its Practice Notes.
i) The Protection of Personal Information Act (POPIA), 2013 (Act No. 4 of 2013).
j) The Protection of Information Act (PIA), 1982 (Act No. 84 of 1982).
k) The State Information Technology Agency (SITA) Act, 1998 (Act No. 88 of 1998), as amended and the SITA Procurement Policies and Procedures.
l) The Intergovernmental Relations Framework Act of 2005 (Act No. 13 of 2005).
m) The Regulations Framing the Institutionalization of the District Development Model, 2024.
n) The Expropriation Act of 2024 (Act No. 13 of 2024).

4.3 This policy furthermore supports the objective of uniformity in Supply Chain Management (SCM) systems and processes between organs of state in all spheres.

4.4 This departmental policy is consistent with the Provincial Supply Chain Management (SCM) policy and therefore the DR&PW may not act in contravention with said Provincial SCM policy in terms of the following:
a) acquisitioning of goods, services or assets;
b) disposing of redundant, unserviceable or obsolete assets;
c) letting of immovable state assets;
d) appointment of consultants as per prescripts and in line with the Department of Public Service Administration (DPSA) rates.

4.5 The following associated departmental regulatory frameworks, amongst others, apply:
a) The DR&PW Risk Management Policy.
b) The DR&PW Risk Management Strategy.
c) The DR&PW Risk Tolerance/Appetite Policy.
d) The DR&PW Risk Management Implementation Plan.
e) The DR&PW Monitoring and Evaluation (M&E) Policy Framework.
f) The DR&PW Policy on Irregular Expenditure.
g) The DR&PW Policy on Fruitless and Wasteful Expenditure.
h) The DR&PW Policy on Unauthorised Expenditure.
i) The Current DR&PW Internal Audit Plan.

j) The DR&PW Policy on Contract Management.

k) The Plan: DR&PW Compilation of Policies on Fraud, Corruption and Ethics Management, specifically the following:
   (i) the DR&PW Anti-Fraud and Corruption Implementation Plan;
   (ii) the DR&PW Anti-Fraud and Corruption Charter;
   (iii) the DR&PW Code of Ethics and Conduct;
   (iv) the DR&PW Anti-Fraud and Corruption Policy and Response Plan;
   (v) the DR&PW Anti-Fraud, Anti-Corruption and Ethics Strategy;
   (vi) the DR&PW Terms of Reference of the departmental Risk Management Committee (RMC);
   (vii) the DR&PW Policy on Whistle Blowing / Protected Disclosures; and
   (viii) the DR&PW Whistle Blowing / Protected Disclosures Guidelines.

5. DELEGATION OF SUPPLY CHAIN MANAGEMENT (SCM) POWERS AND DUTIES

5.1 The Accounting Officer (AO) shall delegate appropriate powers and duties to relevant officials in SCM as per the departmental Financial Delegation Policy to discharge the Supply Chain Management (SCM) responsibilities conferred to him/her in terms of:

5.1.1 Maximization of administrative and operational efficiency in the implementation and execution of the departmental Supply Chain Management (SCM) Policy.

5.1.2 Enforcement of cost-effective measures for the prevention of fraud, corruption, favouritism, unfair and irregular practices in implementing and executing of the Supply Chain Management (SCM) Policy.

5.1.3 Ensuring that all Supply Chain Management (SCM) practitioners as well as Specification-, Evaluation- and Adjudication Committee members agree in writing to adhere to the prescribed Code of Conduct for SCM practitioners in all respects.

5.1.4 All delegations must be done in writing and revised annually by the AO, Chief Financial Officer (CFO) and the Head of Supply Chain Management (SCM).

5.1.5 **The AO and the CFO may delegate or sub-delegate any SCM Powers or Duties to a person who is not an official of the Northern Cape Department of Roads and Public Works (DR&PW) or to a committee that is not exclusively composed of officials in the employ of the DR&PW.**

5.1.6 All SCM activities shall be executed in accordance with pre-established levels of authority through delegations to ensure control and division of responsibility.

5.1.7 Acting delegations shall be in writing to a specific individual or the holder of a post.

5.1.8 A delegation shall be subject to such limitations and conditions as the AO may impose in a specific case.

5.1.9 A delegation may only be revoked by the person who approved the delegation in the first place or any higher authority.

5.1.10 The AO is entitled to confirm, vary or revoke any decision taken in consequence of a delegation by such lower authority, provided that no such variation or revocation of a decision should detract from any rights that may have accrued as a result of the decision.

6. SCM FRAMEWORK

This supply chain management (SCM) policy framework should be read in conjunction with departmental Standard Operating Procedure Manuals for SCM, Assets (both moveable and immovable) and Inventory.

6.1 Demand Management

6.1.1 In order to ensure that the sources required to support the strategic and operational commitments are delivered at the correct time, at the right price and at the right location and that the quantity and quality satisfy the departmental needs, an effective system of demand management must include the following:

a) Planning for future requirements. Acquisition and disposals of all goods required to meet the strategic goals outlined in the Strategic Plan and must be quantified, budgeted and planned for to ensure timely and effective delivery, appropriate quality at a fair cost to meet the needs of the DR&PW and the community. Critical delivery dates must be determined and adhered to.

b) If the requirement is of a repetitive nature and there are benefits of economies of scale a contract for a specific commodity should be arranged.

c) See table below for the demand management guidelines in terms of Framework Agreements and Non-framework Agreements.

Consideration	Options		Decision Criteria for Framework Agreement
	Non-framework	Framework	*Framework Agreements are appropriate where:* • The budgets available and the detailed scope of the needs are uncertain. • The potential for additional funds to be made available exist. • The need involves repetitive work of a similar nature. • A quick response time is required. • Long term relationships (3 to 5 years) are desirable to achieve efficiencies. *The pre-requisites for using this option are that:* • enabling procurement policies and procedures are in place; and • capability and capacity exist or can be put in place to effectively manage the framework agreements.
Contract outcome	Provide specific construction works.	Provide broadly defined construction services over a period of time.	
Procurement	Separate procurement process for each transactional contract.	Appoint in terms of pre-approved framework or reopen competition between framework contractors.	
Flexibility	Time frames, scope and level of service defined per transactional contract.	Flexibility in terms of time frames, scope and level of service.	

6.2 Acquisition Management

6.2.1 Through operational procedures, an effective system of acquisition management is established in order to ensure the following:

a) that goods and services are procured by the DR&PW in accordance with authorized processes only;

b) that expenditure on goods and services is incurred in accordance with the approved budget and in terms of the PFMA;

c) that the threshold values for the different procurement processes are complied with, and bid documentation, evaluation and adjudication criteria and General Conditions of Contract (GCC) are in accordance with any applicable legislation; and

d) that any Treasury guidelines on acquisition management are properly taken into account.

6.3 Logistics Management

6.3.1 This aspect addresses the receiving and distribution of placed orders, expediting orders and reviewing of vendor performance. From these processes, the financial system is activated to generate payments.

6.3.2 An effective system of logistics management must include the following:

a) Monitoring of spending patterns on types or classes of goods and services which should, where practical, incorporate the coding of items to ensure that each item has a unique number for the purposes of monitoring.

b) Setting of inventory levels that include minimum and maximum levels and lead times wherever goods are placed in stock. The concept of just-in-time delivery should be practiced.

c) Placing of manual or electronic orders for all acquisitions other than petty cash.

d) Before payment is approved, a certification from the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications, where applicable and that the price charged is as quoted/in terms of a contract.

e) Appropriate standards of internal control and warehouse management to ensure goods placed in stores are secure and only used for the purpose they were purchased.

f) Regular checking to ensure that all movable assets, excluding official vehicles are properly managed, appropriately maintained and only used for official purposes.

g) Monitoring and review of the supply vendor's performance to ensure compliance with specifications and contract conditions for a particular good or service.

h) Stocktaking of all assets in stock or on distribution should be conducted at least once a year. In addition to the above, refer to the latest version of the DR&PW Inventory Policy.

6.4 Disposal Management

6.4.1 At this stage consideration is given to maintaining a data base of redundant material and inspecting material for potential re-use. Determining a disposal strategy and executing the physical disposal process.

6.4.2 The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to Treasury Regulation 16A (7), are as follows:

a) Movable assets:

(i) the asset is uneconomical to repair;

(ii) the asset is irreparable;

(iii) the relevant department has no further use for the asset; and

(iv) no other department requires the asset.

6.4.3 The disposal of assets must take place by means of one of the following methods:

a) transferring the asset to another organ of state, in terms of section 42 of the PFMA, 1999, as amended, enabling the transfer of assets;

b) transferring the asset to another organ of state at market related value or, when

appropriate for a lesser amount or free of charge;

c) selling the asset; or

d) destroying the asset;

e) provided that:

(i) immovable assets may be sold at not less than market related prices except when the public interest or the plight of the poor demands otherwise, by means of public tenders, public auction or over the counter on a first-come-first-serve basis;

(ii) movable assets may be sold either by way of written price quotations, public tenders or public auction, whichever is the most advantageous;

(iii) in the case of the disposal of computer equipment, any state institution involved in education or training must first be approached to indicate within thirty (30) days whether they are interested in the equipment, in which case it may be transferred to that institution free of charge; and

(iv) furthermore ensure that:

1) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and

2) where assets are traded in for other assets, the highest possible trade-in price is negotiated and the new items should be reflected at the actual value on the asset register.

6.5 Risk Management

6.5.1 The criteria for the identification, consideration and avoidance of potential risks in the SCM system, are as follows:

a) a risk assessment must be conducted and will be used during and before the adjudication process to assess risks associated with a particular contract. The management of these risks will be the responsibility of the CFO.

b) non-compliance by the supplier to deliver within the agreed time frames;

c) supply of inferior goods or services by the supplier;

d) inability of the supplier to provide goods or services as ordered;

e) non-adherence to the policy with regard to utilisation of preferred suppliers; and

f) procurement of goods or services at prices or of a quality not in the best interest of the DR&PW.

6.5.2 Risk management must include:

a) the identification of risks on a case-by-case basis;

b) the allocation of risks to the party best suited to manage such risks;

c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that

of retaining it;

d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and

e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

6.6 Performance Management

6.6.1 The CFO must ensure that an effective internal monitoring system is implemented in order to determine, on the basis of a retrospective analysis, whether the authorised SCM processes were followed and whether the measurable performance objectives linked to and approved with the budget and the service delivery and budget implementation plan, were achieved.

6.6.2 The relevant manager must ensure that the performance of all contractors is assessed during the period of the contract.

6.6.3 At the completion stage of the contract, an assessment of the contractor shall be undertaken and this assessment should be available for future reference.

6.6.4 The AO shall, on a quarterly basis, report to the Northern Cape Provincial Legislature (NCPL), the DR&PW Internal Audit Committee (IAC) and the CFO shall report quarterly to the MANCO of the DR&PW on the following aspects:

a) Total procurement spend.

b) Percentages of total spend directed towards designated groups.

c) Information required regarding urgent/emergency procurement processes followed.

d) Process disputes.

e) Instances of alleged and proven fraud or corruption.

f) Information regarding deviation processes followed. Examples of such processes are:

(i) non-utilisation of the provider list;

(ii) subdividing of total requirements;

(iii) unplanned spending and obtaining less than the required number of quotes; and

(iv) Procurement Plan activities.

6.6.5 The CFO shall submit reports to Provincial Treasury (NCPT) in respect of each contract above the value of R1 000 000,00 (VAT Included) concluded during that month within fifteen (15) days of the end of each month.

7. COMMITTEE SYSTEM FOR ACQUISITION

7.1 Committees to be Appointed

7.1.1 The following types of bid committees have to be established and respective members thereto have to be appointed in writing by the AO for a two (2) year period initially and thereafter rotated:

a) Bid Specifications Committee (BSC), standing, with co-opting of members according to goods, services or commodities needed.
b) Bid Evaluation Committee (BEC), standing.
c) Bid Adjudication Committee (BAC), standing.

7.2 Mandate, Roles, Composition and Functionality of Committees

7.2.1 Mandate

7.2.1.1 Sections 44 and 56 of the PFMA, 1999 empower accounting officers to delegate powers or instruct any official in that department, trading entity, constitutional institution or public entity to perform any of the duties assigned to the accounting officer in terms of the Act.

7.2.1.2 Sections 38(1)(a)(iii) and 51(1)(a)(iii) of the PFMA, 1999 prescribes that accounting officers must ensure that the institution has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

7.2.1.3 Treasury Regulation 16A, 6.2 stipulates that an institution's supply chain management system must, *inter alia*, provide for the adjudication of bids through a Bid Adjudication Committee (BAC), as well as the establishment, composition and functioning of a bid specification, a bid evaluation and a bid adjudication committee and the selection of bid adjudication members.

7.2.2 Roles

7.2.2.1 Bid Specifications Committee (BSC)

a) The BSC must ensure that proper and unbiased (not brand specific) specifications are compiled for the specific requirement.
b) The BSC must ensure that proper Terms of Reference (ToR) are drawn-up for the service or good(s) required, that clearly indicate the scope of the requirement, the ratio between price and functionality, evaluation criteria as well as weights and values.
c) The BSC must ensure strategic sourcing principles were applied and that the market was properly researched and analyzed.
d) The BSC must ensure that the necessary funds are available.
e) If and when applicable, in addition to the General Conditions of Contract, the BSC can specify appropriate Special Requirements and Conditions of Contract.
f) The BSC shall utilize the latest, updated bid documents, in accordance with SCM Practice Note 2/2011 (12), issued by Provincial Treasury (NCPT) and Circular Number 14 of 2016/17.

g) The BSC will annually approve and revise generic specifications e.g. that of stationery and general requisites, but for other quotations and bids specifications per case will be compiled.

7.2.2.2 Bid Evaluation Committee (BEC)

a) The BEC is to ensure compliance in line with policy e.g. the national Preferential Procurement Policy Framework Act (PPPFA), 2000 and its Regulations (point system, responsiveness of bids), Treasury Regulations, Chapter 16A, SCM procedures, Practice Notes and the Northern Cape Provincial SCM Policy.

b) Bids may only be evaluated by the BEC in accordance with the evaluation criteria stipulated in the bid documentation.

c) If necessary, additional information from all bidders can be requested by the BEC.

d) When any bid is passed over or regarded as non-responsive by the BEC, the reason(s) for passing over such bid must be defendable in any court of law. Examples in this regard may include negative banking reports, non-compliance of tax status, not having the necessary capacity and/or capability, being listed on the Register for Tender Defaulters, etc.

e) Tendering an amount of up to ten percent (10%) or fifteen percent (15%) above the upper limit of the tender value range associated with a particular contractor grading designation would, in most circumstances, be considered reasonable. Tendering an amount of twenty percent (20%) or more above the upper limit is likely to be considered unreasonable.

f) Calculation of points:

(i) The price submitted by the lowest acceptable bidder must be used in the formula as the basis (Pmin) when calculating the points for price. The Preferential Procurement Regulations of 2022 provides for the calculation of points for price and specific goals.

(ii) Should, during any stage of the evaluation or adjudication process, it becomes evident that the bidder who scored the highest number of points is an unacceptable or non-responsive bidder and that this bidder also scored the highest points for price, the points scored by each bidder must be re-calculated using the new lowest acceptable bidder's price as the basis (Pmin) for calculation purposes. *Accounting Officers are not allowed to award the bid to the bidder next-in-line as this may lead to an incorrect award of the bid.*

(iii) Recalculation of the points may result in a different bidder, other than the one who was next-in-line, scoring the highest number of points.

(iv) Make recommendations to the Bid Adjudication Committee (BAC). All recommendations must be signed by the chairperson of the Bid Evaluation Committee (BEC).

(v) Disputes must be referred to the Accounting Officer (AO).

7.2.2.3 Bid Adjudication Committee (BAC)

a) The BAC must consider the recommendations/reports of the BEC and, depending on the delegated powers, make:
   (i) a final award; or
   (ii) a recommendation to the AO to make a final award; or
   (iii) another recommendation to the AO on how to proceed with the relevant procurement.

b) The BAC must ensure that:
   (i) all necessary bid documents have been submitted;
   (ii) disqualifications are justified and that valid and accountable reasons/motivations were furnished for passing over of bids;
   (iii) scoring has been fair, consistent and correctly calculated and applied; and
   (iv) bidders' declarations of interest have been taken cognizance of.
   (v) The BAC may perform a risk analysis in terms of CIDB Practice Note 5 of 2020 on the preferred tenderer or tenders to ascertain if any of the following but not limited to which might present an unacceptable commercial risk to the employer:
      1) unduly high or unduly low tendered rates or amounts in the tender offer,
      2) contract data provided by the tenderer or
      3) the contents of the tender returnables which are to be included in the contract.
   (vi) If any inconsistencies or omissions have been detected from the BEC report, the BAC may reconsider all findings and if need be recalculate the scores and recommend to the Accounting Officer the highest point scorer.

c) If a bid other than the one recommended by the BEC is approved by the BAC, the AO or a senior official delegated by the AO, must first be notified. The AO or the delegated official may after consideration of the reasons for the deviation, ratify or reject the decision of the BAC. If the decision of the BAC to approve a bid other than the one recommended by the BEC is ratified, the Auditor-General (AG) and the relevant Provincial Treasury (NCPT) must be notified of the reasons for deviating from such recommendation.

d) The AO or his/her delegate may at any stage refer any recommendation made by the Bid Evaluation Committee or the Bid Adjudication Committee back to that committee for reconsideration.

e) The BAC must also consider and rule on all recommendations/reports regarding the amendment, variation, extension, cancellation or transfer of contracts awarded. Shortened advertising periods and deviations from procedures must be properly motivated and reflected in minutes.

f) The BAC may also, if and when required to do so, consider for approval the

recommendations of the Bid Specification Committee (BSC) in order to ensure that:

(i) a proper and unbiased specification is compiled for the specific requirement;

(ii) proper Terms of Reference (ToR) are drawn up for the service required, clearly indicating the scope of the requirement, the ratio between price and functionality, the evaluation criteria as well as their weights and values;

(iii) strategic sourcing principles were applied and that the market was properly researched and analyzed;

(iv) the necessary funds are available;

(v) if and when applicable, in addition to the General Conditions of Contract (GCC), appropriate Special Conditions of Contract (SCC) and special contract requirements are specified; and

(vi) the preference point system prescribed is consistent with the requirements of the Preferential Procurement Regulations.

7.2.3 Composition and Functionality

7.2.3.1 Membership in General

a) In order to meet their obligations, committee members must be familiar with and adhere to all relevant SCM legislation, policy, guides, practice notes and circulars. All committee members must sign the SCM Code of Conduct and a record must be kept

b) The integrity of committee members and supply chain practitioners must never be compromised and the highest level of professional competence must be maintained. Furthermore, courteous conduct is expected of all committee members.

c) All members as well as the respective Secretaries of the Specification, Evaluation and Bid Adjudication Committees should be cleared at the level of "Confidential" by the State Security Agency (SSA) and must annually declare their business and financial interest to the AO.

d) Each member, as well as all officials rendering administrative support, must sign a declaration form at each Bid Evaluation and Bid Adjudication Committee meeting. Members are to declare that they will:

(i) accept the confidentiality of the meeting;

(ii) not make known anything regarding the meeting, unless officially authorized; and

(iii) not purposefully favour or prejudice anybody.

e) Members of all committees must be appointed in writing by the AO, preferably for a period of two (2) years.

f) Members of one committee may not serve on another committee or be co-opted on another committee.

g) Any gifts or invitations by suppliers must be declared and notarised in a register kept by the SCM directorate.

h) All committees must have an appointed chairperson and the evaluation and adjudication committees must, in case the chairperson is not present, elect from among its members an acting chairperson.

i) Membership should be composed of cross-functional teams but on each committee at least one (1) member must be a supply chain practitioner.

j) As and when the need arises, additional officials or advisors can be co-opted on account of specialized knowledge.

k) The Secretariat:

(i) A designated official(s) from the DR&PW's SCM Directorate must be made available to act as secretary/secretaries to the respective departmental bid committees.

l) Quorum:

(i) The quorum for all committee meetings is fifty per cent (50%) of its appointed members plus one (1).

m) *Secundi*:

(i) To ensure continuity and to prevent the delay of meetings, the Accounting Officer (AO) can appoint *secundi* to temporarily replace members that are absent from meetings due to illness, leave, etc. and determine the powers of *secundi*, e.g. whether it will be the same as regular committee members.

n) Rights and Duties of the Chairperson. The Chairperson:

(i) has a casting vote as well as a deliberate vote;
(ii) retains all his/her rights as a member;
(iii) may adjourn a meeting;
(iv) may rule on points of order which will be final;
(v) may withdraw any proposal or other matters under discussion before it is put to the vote;
(vi) convene extraordinary committee meetings on request;
(vii) maintains order during a meeting and ensure that business is conducted in an orderly manner;
(viii) before opening a meeting, ensure that it is properly constituted;
(ix) protect the rights of every member;
(x) vacate his/her seat and elect a vice chairperson, should he/she wish to partake in a discussion in a partial manner;

(xi) regulate participation in discussions;
(xii) deal with items in sequence of the agenda;
(xiii) ensure that members know exactly what they are required to vote on if there is no consensus on a matter;
(xiv) ensure that only one member holds the floor at any one time;
(xv) provide guidance by directing the meeting, but shall not dominate;
(xvi) conduct meetings in a formal manner; and
(xvii) formulate clearly the decisions to be minuted and sign and approve the minutes after they have been verified for correctness by the committee.

o) The Secretaries of the BAC, the BEC and the BSC, respectively, shall, in conjunction with the Chairperson/Acting Chairperson:
(i) compile an agenda and determine dates of meetings;
(ii) give notice of proposed meetings to committee members;
(iii) process and distribute all submissions/reports together with the agenda to committee members at least two (2) working days before the actual meeting takes place;
(iv) minute all decisions taken at meetings;
(v) adhere strictly to the stipulations of the National Archives of South Africa Act, Act No. 43 of 1996 and its accompanying directives;
(vi) ensure that the proceedings at meetings are recorded mechanically;
(vii) give written feedback of all decisions taken by the committee; and
(viii) inform a committee member if in a declaration of interest he/she is mentioned and do not issue relevant bids reports, evaluation or any applicable document to such member; and
(ix) be responsible for all the administrative tasks of the Committee.

p) Members of the respective departmental bid committees shall:
(i) be fully conversant with the powers and limitations of the committee as well as all directives pertaining to Supply Chain Management, including the relevant sections of the Constitution, Public Finance Management Act (PFMA), and accompanying Treasury Regulations, Preferential Procurement Policy Framework Act, the Northern Cape Provincial Supply Chain Management Policy, the Broad Based Black Economic Empowerment Act and accompanying regulations, all directives issued by National Treasury/Provincial Treasury (NCPT) as well as the delegated powers issued by the AO; and
(ii) at all times act in accordance with above-mentioned legislation, regulations and procedures;

(iii) apply their minds to matters at hand in order to take meaningful and accountable decisions; and

(iv) in the event of doubt or uncertainty, propose that matters be referred back for clarification; and

(v) in advance, furnish a written apology should he/she not be able to attend a meeting;

(vi) strive to be punctual for meetings and to stay for the duration of a meeting;

(vii) prepare properly for each meeting by studying the agenda and submissions/reports;

(viii) be familiar with meeting procedures in order to make a contribution in the correct manner;

(ix) refrain from repetition and duplication of contributions by other members; and

(x) immediately excuse him/herself if they have any interest in a bid/procurement or conflict of interest or have been mentioned in a declaration of interest by a bidder.

q) Members of departmental committees have the right to:

(i) have advance knowledge of the agenda of committee meetings;

(ii) submit proposals and participate in proceedings;

(iii) vote; and

(iv) have a dissenting voice and have the reasons therefore recorded.

r) Co-opted committee members/advisors shall:

(i) have the same powers and duties as members but excluding the right to vote on any matter under discussion. They must sign and abide by the declaration of confidentiality.

(ii) Members of the Bid Evaluation Committee (BEC) may present their recommendations/reports to the Bid Adjudication Committee (BAC) and clarify any issues, but shall not have any voting powers.

s) Observers attending committee meetings:

(i) Officials from Provincial Supply Chain Management (Provincial Treasury/NCPT) will attend all DR&PW Bid Evaluation and Bid Adjudication Committee meetings as observers and can render advice if requested by the Chairperson of either abovementioned committees.

(ii) On an *ad hoc* basis, Provincial Supply Chain Management can attend departmental Bid Specifications Committee (BSC) meetings.

t) Procedures for Bid Committee Meetings:

(i) Notice of meetings:

1) The agenda of a meeting serves as the program of the meeting and unless the

Committee decides otherwise, the items and sequence may not be changed during the meeting.

2) In order to afford members the opportunity to prepare for the meeting, the agenda shall be made available to members, as well as to Provincial Supply Chain Management (NCPT) at least two (2) working days before the actual meeting.

NOTE: ***A MEMBER OF THE PROVINCIAL SUPPLY CHAIN MANAGEMENT UNIT IN PROVINCIAL TREASURY (NCPT) MAY ATTEND ALL DR&PW BID EVALUATION AND ADJUDICATION COMMITTEE MEETINGS AS OBSERVER.***

u) Submissions/Reports to the departmental Bid Committees:

(i) All submissions/reports to the Bid Committees must be in writing, substantiated and channelled through the Bid Specification Committee (BSC) or Bid Evaluation Committee (BEC).

v) Minutes of departmental Bid Committees:

(i) The minutes will be the written record reflecting in a brief, clear and impartial manner the decisions of the Committee.

(ii) The signed minutes will serve as proof of the decisions of the Committee.

(iii) Should a member wish to have a specific matter other than a decision recorded, it must be specifically requested.

(iv) A member's reasons for a dissenting voice must also be recorded.

(v) Proceedings must also be recorded digitally, by electronic means, to enable the Secretary to prepare verbatim reports when required by a court of law.

w) Register of confidentiality and attendance of Bid Committees:

(i) Members shall sign a register at each meeting, serving as attendance register as well as an undertaking to confidentiality of that meeting.

(ii) This register will also provide for the Declaration of Interest.

(iii) Members must declare all gifts and invitations accepted to social events received from suppliers or potential suppliers, irrespective of the value of such a gift. Such declarations must be captured in the minutes of the meeting and must be reported to the CFO. Any such gifts and/or invitations accepted by the CFO must be reported to the AO.

7.2.3.2 Important Procedural Matters

a) A person as a member of a departmental Bid Committee obtains certain rights such as a share in the control of the matter(s) for which the meeting is constituted and the member may

exercise this right by making proposals, voting, etc.

b) A member's conduct at the meeting must however not infringe on the rights of others. The rules of conduct are based on mutual respect for the rights of each other and respect for the purpose of the meeting.

c) Members must accept that:
   (i) The chairperson must be respected.
   (ii) The chairperson has the right to interrupt and ask a member to stop speaking if the address is repetitive or irrelevant to the matter under discussion.
   (iii) A member must stop speaking if ruled out of order by the chairperson.
   (iv) Decisions are taken by general consensus or by a show of hands when a matter is decided upon by voting.
   (v) Once a decision has been taken it is final and not open for discussion unless additional information which was not available at the time of decision making can be produced.
   (vi) A member (including the chairperson or acting chairperson) shall beforehand declare his/her interest regarding any matter serving before the Committee and the member will then excuse her/himself during the discussion of that matter. No discussion by the member concerned will be allowed prior to the serving of that submission/report and such a member may not retain that specific submission/report.
   (vii) Any personal interest that may infringe, or might reasonably be deemed to infringe on a member's impartiality in any matter relevant to their duties must be recorded.
   (viii) Outvoted members must abide by the majority decision of the Committee;
   (ix) No communication should be made with a bidder/contractor by any member prior to or after any meeting.

7.2.3.3 Composition and Functionality of the BSC

a) The Bid Specifications Committee (BSC) of the DR&PW will be composed of two (2) permanent members, one of which will be an SCM practitioner.
b) The BSC will co-opt three (3) to five (5) members, depending on goods/services/commodities required.
c) The BSC must compile specifications for goods/services/commodities to be acquired. Specifications must be generic, with no correlation or reference to brand name(s). No trademark or exclusive design may be used. (SABS specifications to be utilized when available or an accredited recognized South African Institute).
d) For consultancy services, technical specifications and functionality must be taken into account.
e) Performance requirements are preferred in terms of the determination of bid specifications.

f) Annually, general specifications for stationery and other general requisites used continuously must be revised and approved to allow for the flow of work. For all other requirements (quotations or bids), specific specifications must be drafted upon request.
g) The BSC must ensure that the correct point system is used in accordance with the Preferential Procurement Policy Framework Act (PPPFA) of 2000 and the PPPFA Regulations Gazetted by National Treasury in 2022.
h) If functionality forms part of the evaluation criteria, it must be included in the bid documentation.
i) External specialist advisors may be utilised in terms of bid specifications, and if this is decided upon, the appointed advisors and their companies will be prohibited from bidding.
j) Proper minutes of each meeting of the BSC must be kept, inclusive of matters such as date, time and venue; attendance list; apologies; agenda items; an accurate reflection of discussions of participants; and any other items for discussion.
k) Copies of the above mentioned minutes must be forwarded to Provincial Supply Chain Management (NCPT) not later than the 15th of the month.
l) Members of the BSC must declare interest in any bid to be evaluated before discussion of the bid and those BSC members who have a conflict of interest, which must be recorded in the BSC minutes, must excuse themselves from any further discussions.

7.2.3.4 Composition and Functionality of the BEC

a) The Bid Evaluation Committee (BEC) of the DR&PW will be composed of five (5) permanent members ***[NOTE: THEY MAY NOT BE MEMBERS OF THE DR&PW BID SPECIFICATIONS COMMITTEE (BSC) OR THE BID ADJUDICATION COMMITTEE (BAC)]***, one (1) Supply Chain Management Practitioner, a Finance Practitioner and three (3) knowledgeable members in line with the line functions of the relevant client department.
b) The BEC can co-opt members, for example, technical personnel as the need arises.
c) All permanent members of the BEC must be well versed with Supply Chain Management (SCM) procedures, policy guidelines and practice notes.
d) Proper minutes of each meeting of the BEC must be kept, inclusive of matters such as date, time and venue; attendance list; apologies; agenda items; an accurate reflection of discussions of participants; and any other items for discussion.
e) Copies of the above mentioned minutes must be forwarded to Provincial Supply Chain Management (NCPT) not later than the 15th of the month.
f) Members of the BEC must declare interest in any bid to be evaluated before discussion of the bid and those BEC members who have a conflict of interest, which must be recorded in the minutes, must excuse themselves from any further discussions.
g) Bid evaluation must be done in accordance with specifications and evaluation criteria (points

and other), as set out in bid documents.

h) The BEC must evaluate bidders' ability to execute the contract and ensure all forms are duly completed, declaration of interest completed and valid Central Supplier Database (CSD) report attached.

i) The BEC must compile a report with recommendations and which is properly motivated, signed by all members and forwarded to the Head of Supply Chain Management for submission to the Bid Adjudication Committee (BAC) of the DR&PW.

j) Any disputes must be referred to the Accounting Officer (AO) of the DR&PW.

7.2.3.5 Composition and Functionality of the BAC

a) The Bid Adjudication Committee (BAC) of the DR&PW will consist of five (5) permanent members, inclusive of the Head of Supply Chain Management (SCM) and the Chief Financial Officer (CFO), who should preferably be the Chairperson. The other three (3) members of the BAC must be Senior Management Service (SMS) officials of the DR&PW.

b) The BAC can co-opt members (only government officials) e.g. technical personnel, to clarify technical or other related matters for the purpose only and inputs must be provided in writing and appended to the minutes of the meeting. Once they have provided their inputs, they must leave the meeting.

c) If outside consultants are needed to provide inputs due to specialised knowledge, they can be co-opted for the purpose only and inputs must be provided in writing and appended to the minutes of the meeting. Once they have provided their inputs, they must leave the meeting.

d) All permanent members of the BAC must be well versed with Supply Chain Management (SCM) procedures, policies, guidelines and practice notes.

e) Proper minutes of each meeting of the BAC must be kept, inclusive of matters such as date, time and venue; attendance list; apologies; agenda items; an accurate reflection of discussions of participants; and any other items for discussion.

f) Copies of the minutes from the District Bid Committee (DBC) must be forwarded to the SCM Head Office: Acquisition unit of the DR&PW on a monthly basis.

g) Proper minutes of each meeting of the DBC must be kept, inclusive of matters such as date, time and venue; attendance list; apologies; agenda items; an accurate reflection of discussions of participants; and any other items for discussion.

h) Copies of the above mentioned minutes must be forwarded to Provincial Supply Chain Management (NCPT), not later than the 15th of the month.

i) Members of the BAC must declare interest in any bid to be evaluated before discussion of the bid and those BAC members who have a conflict of interest, which must be recorded in the BAC minutes, must excuse themselves from any further discussions.

j) If a member is indicated by a bidder(s) in their declaration of interest, the secretary will inform such a member/s and not send relevant documentation to the member.

k) The BAC will, depending on the BAC's written delegations, make a final award or a recommendation to the Accounting Officer for the final award or how to proceed with the relevant acquisition.

l) If the Chairperson of the BAC are absent from a meeting, the members of the BAC present, must elect a chairperson to preside at the particular meeting.

m) If the BAC deviates from the recommendations of the BEC within their delegated authority to directly award bids, it must be fully motivated and the AO notified to ratify the decision and Provincial Treasury (NCPT) must be informed as well as the AG.

n) The AO may, at any stage of the bidding process, refer any recommendation made by either the Evaluation Committee (BEC) or the Adjudication Committee (BAC) back to that Committee for reconsideration.

NOTE: ***NEITHER A MEMBER OF A DEPARTMENTAL BID SPECIFICATION OR EVALUATION COMMITTEE, NOR A CONSULTANT OR ADVISOR OR A PERSON ASSISTING THE EVALUATION COMMITTEE, MAY BE A MEMBER OF A DEPARTMENTAL BID ADJUDICATION COMMITTEE (BAC). ONLY APPOINTED GOVERNMENT OFFICIALS MAY SERVE ON ANY OF THE COMMITTEES OF THE DR&PW AND NOT ADVISORS, CONSULTANTS OR SHORT TERM CONTRACT WORKERS.***

8. ACQUISITION PROCESSES AND THRESHOLD VALUES

8.1 Application of the Preference Points System

8.1.1 All formal, written quotations above two thousand rand (R2000, 00), up to twenty nine thousand nine hundred and ninety nine and ninety nine cents (R29 999, 00) must be completed utilising the prescribed quotation forms, namely: Annexure F and NCP4/SBD4.

8.1.2 For bids in excess of R2 000,00 but less than R50 million, the 80/20 preferential point system will be applicable for evaluation and adjudication.

8.1.3 For bids in excess of R50 million, the 90/10 preferential point system will be applicable for evaluation and adjudication.

8.1.4 Preference points will be allocated based on the following specific goals as stipulated in the PPPFA of 2000 and the RDP of 1994.

(i) which is at least fifty-one per cent (51%) black owned companies;

(ii) fifty one per cent (51%) youth owned companies;

(iii) fifty one per cent (51%) women owned companies;

(iv) Fifty one per cent (51%) or more companies owned by persons with disabilities;

8.1.5 The points scored for specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

8.1.6 The contract must be awarded to the bidder scoring the highest points.

8.1.7 If two (2) or more bidders score an equal total number of points, the contract must be awarded to the bidder that scored the highest points for specific goals, and if two (2) or more bidders score equal total points in all respects, the award must be decided by the drawing of lots.

8.1.8 For 80/20 Preference Points System, a maximum of 20 points must be applied for specific goals as follows:

Specific Goals	**Points**
Fifty-one per cent (51%) or more black owned companies	10
Fifty one per cent (51%) or more women owned companies	5
Fifty one per cent (51%) or more youth owned companies	3
Fifty one per cent (51%) or more companies owned by persons with disabilities	2
TOTAL	**20**

8.1.9 For 90/10 Preference Point System, a maximum of 10 points must be applied for specific goals as follows:

Specific Goals	**Points**
Fifty-one per cent (51%) or more black owned companies	5
Fifty one per cent (51%) or more women owned companies	3
Fifty one per cent (51%) or more youth owned companies	1
Fifty one per cent (51%) or more companies owned by persons with disabilities	1
TOTAL	**10**

8.1.10 To claim points, service providers must indicate points claimed from SBD 6.1 and the claimed points must be supported with certified copy of sworn affidavit or BBBEE certificate from SANAS or CIPC.

8.2 General Preconditions for Consideration of Written Quotations or Bids

A written quotation or bid may not be considered unless the service provider who submitted the quotation or bid has furnished that service provider's:

a) full name;
b) identification number or company or other registration number; and
c) SARS e-filing pin number and Central Supplier Database (CSD) number.

9. SOURCING STRATEGIES

9.1 Regarding the process of meeting the goods and services provisioning requirements of the departmental programmes or user client departments, the DR&PW will use the optimum sourcing strategy and technique, taking due cognisance of the nature of the commodity or service required, the conditions of delivery, among others, just-in-time delivery, the prospective suppliers and the goals to be promoted as contemplated in the Preferential Procurement Policy Framework Act (PPPFA) of 2000 (Act No. 5 of 2000). The DR&PW's sourcing strategies include, among others, the following:

a) Utilization of Transversal Terms Contracts or Framework Contracts.
b) Utilization of a paper based bidding system which may include obtaining quotations.
c) Invitation of competitive bids.
d) Two stage bidding.
e) Direct Negotiations e.g. procurement of office accommodation.
f) Contractor Development: Identify and nominate one (1) or more contractors for development purposes.
g) Legal Service Procurement: The appropriate procurement system of three (3) quotations or more is not practical to follow in terms competitiveness and cost effectiveness. In the legal fraternity, competition is seen as touting and therefore it is not allowed.
h) Procurement of State Housing for Members of the Provincial Legislature (MPLs): The appropriate procurement system of three (3) quotations or more is not practical to follow. The procurement of state housing is based on the availability and suitability to meet the requirements of the client.
i) Maintenance of State Housing: The appropriate procurement system of three (3) quotations or more is not practical to follow.

10. VERBAL PRICE QUOTATIONS

10.1 Verbal price quotations may be requested for the procurement of goods and services below two thousand rand R2000, 00 (VAT included). Verbal requests for quotations are usually not accompanied by specifications and conditions and may be requested telephonically.

10.2 The date of submission and address where it must be submitted to in writing, must be indicated when the request is made telephonically.

10.3 Where no suitable providers are available from the CSD, quotations may be obtained from

other possible providers not on the list.

10.4 The successful quotation must be confirmed per facsimile or per e-mail as the order may only be placed against written confirmation from the selected provider. It therefore makes business sense to ask all the providers to confirm their quotes in writing, even though the information may not be detailed. This would avoid having to record the information given by the provider over the phone.

11. WRITTEN PRICE QUOTATIONS

11.1 The conditions for the procurement of goods or services through written price quotations are as follows:

a) State institutions must prescribe the minimum number of days for the invitation of price quotations, ensuring that the prospective suppliers are afforded enough time to submit their quotations and balancing this with the need for the institution of state to deliver the service.

b) In terms of balancing the need, the following timeframes are applicable for requesting price quotations from prospective suppliers registered on the Central Supplier Database (CSD), who will be required to submit quotations within one (1) to seven (7) days; or fourteen (14) days, depending on the specific requirements/specifications on request.

c) In cases where urgent procurement for goods or services is needed, the above mentioned period may change to accommodate the urgent need.

d) Requests and submissions of quotations will be primarily via e-mail but is not limited thereto and can be hand requested or delivered and/or be placed in the departmental tender box.

e) Quotations above R2000, 00 must be obtained in writing from at least three (3) different suppliers/service providers whose names appear on National Treasury Central Supplier Database (CSD) for accredited suppliers/service providers and the DR&PW List of Registered Professional Service Providers.

f) Quotations may be obtained from supplier's/service providers who are not listed, provided that they are registered on the CSD before the order is finalised (refer to National Treasury Instruction Note 4A of 2016/2017 par 3.4).

g) If it is not possible to obtain at least three (3) quotations, reasons shall be recorded and the AO or a delegated official's approval must be sought for continuation with the transaction.

h) A monthly report on all cases referring to the above must be submitted to the Accounting Officer and Provincial Supply Chain Management (SCM) before the 15th of the next month.

i) For all acquisitions of goods and services, the tax matters of the supplier should be in order before the Order or appointment is approved. Supplier should be notified about none compliance with Tax, and be given at least seven days (7) to sort out tax matters.

j) All formal written quotations above R2000, 00 prescribed quotation forms must be utilised

(NCP4) or full standard bid document.

k) All acquisitions in excess of R2 000, 00 (including VAT) per case the written quotations must be adjudicated in terms of the Specific Goals (80/20) and (90/10).

l) When using the ALL Accredited List of Suppliers (CSD) and Professional Service providers; ongoing competition amongst suppliers must be promoted, and the principle of a rotation basis shall be applicable.

12. COMPETITIVE BIDS

12.1.1 Goods and/or services above a transaction value of one million rand (R1 000 000, 00) (VAT included) and long term contracts may only be procured through a competitive bidding process.

12.1.2 No requirement for goods or services above an estimated transaction value of one million rand (R1 000 000, 00) (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services other than through a competitive bidding process.

12.1.3 **EMPOWERMENT STRATEGIES ARE AS FOLLOWS:**

a) Bids in excess of thirty million rand (R30 000 000, 00) (VAT included) where feasible, must sub-contract thirty per cent (30%) (VAT included) of the contract value to designated groups residing within the Northern Cape Province. This will be a condition and a requirement of tender and if companies fail to meet this requirement, they will be disqualified.

b) Sub-contracting will be targeted to designated groups within the Northern Cape Province.

c) Target procurement will apply for all acquisition less than R1 000 000, 00 targeting designated groups within the Northern Cape Province.

d) Subcontractors or service providers shall be selected from the town from where the service or project is being undertaken.

e) In cases where there are no suitable contractors to do the job in a town, the main contractor or service provider shall select sub-contractors from the nearest areas any such database of service providers kept by the CSD.

f) The main contractor /service provider is expected to provide training to the subcontractors. The training and coaching shall enable the subcontractor to apply for higher CIDB grading after the completion of the project or register with the appropriate professional or monitoring body.

g) Nominated Subcontractors: The Department may provide nominated subcontractors to the main contractor or service provider at the tender stage who shall take full professional responsibility for the workmanship quality of the subcontractors he/she chooses.

12.1.4 Bids must at least be advertised in the Government Tender Bulletin and E-tenders.

12.1.5 Either Provincial Supply Chain Management (SCM) or National Treasury will arrange transversal contracts. The DR&PW shall respond to a formal invitation to indicate whether it wants to participate or not.

12.1.6 Goods and services may not be purposely subdivided to ensure a lesser value merely to avoid compliance with the requirements of the Policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

12.1.7 The DR&PW will make use of bid documentation are as per National and/or Provincial prescripts.

12.1.8 The DR&PW will make use of the preference point system used in accordance with the Revised Preferential Procurement Policy Regulations 2022. Implementation of the Revised Preferential Procurement Regulations 2022, utilizing BBBEE status level verification certificates to claim preference points.

12.1.9 Regarding bids in excess of two thousand rand (R2 000, 00) but less than fifty million rand (R50 million) the 80/20 preferential point system will be applicable for evaluation and adjudication and for bids in excess of fifty million rand (R50 million) the 90/10 preferential point system will be applicable for evaluation and adjudication.

12.1.10 If the value of the transaction is estimated to exceed ten million rand (R10 million) (VAT included), bidders shall be required to furnish the following:

a) Annual financial statements for auditing, their audited annual financial statements for the past three (3) years or since their establishment, if established during the foregoing three (3) years.

b) A certificate signed by the bidder certifying that the bidder has no undisputed commitments towards other service providers in respect of which payment is overdue for more than thirty (30) days.

c) Particulars of any contracts awarded to the bidder by any other organ of state during the foregoing five (5) years, including particulars of any material non-compliance or dispute concerning the execution of such contract.

d) A statement indicating whether any portion of the goods or services is expected to be sourced from outside the Republic and, if so, what portion of the payment is expected to be transferred out of the Republic of South Africa, informing the Department of Trade and Industry (DTI).

12.1.11 Contracts relating to Information Technology (IT) are prepared in accordance with the State Information Technology Act, (Act No. 88 of 1998) and any regulations made in terms of that Act.

12.1.12 Treasury Regulations 16 is complied with when goods or services are acquired through public

private partnerships or as part of public private partnerships.

12.1.13 Instructions issued by National Treasury and Provincial Treasury (NCPT) in respect of the appointment of consultants shall be complied with as well as remuneration norms and standards set out in the DPSA guidelines.

12.1.14 In the event of a particular case where it is impractical to invite competitive bids, the Accounting Officer (AO) may acquire the required goods or services by other means. Reasons for deviating from inviting competitive bids must be recorded for audit purposes.

12.1.15 The AO may participate in transversal term contracts facilitated by National or Provincial Treasury. When participating in such contracts the AO of the DR&PW may not solicit bids for the same or similar product or service during the tenure of the transversal term contract.

12.1.16 The AO of the DR&PW participates in any contract arranged by means of a competitive bidding process by any other organ of state, subject to the written approval of such organ of state and the relevant contractors.

12.1.17 All bids must be deposited by the closing date and time in a bid box availed and accessible to the public.

12.1.18 Bids must be submitted in a sealed envelope with the bid number and bid description on the envelope.

12.1.19 Bids received after closing time will be handled as late. Time for closure will be aligned with official Greenwich Mean Time (GMT).

13. COMPILATION OF BID DOCUMENTATION

13.1 Bid Documentation for Competitive Bids

13.1.1 The criteria to which bid documentation for a competitive bidding process comply, must take the following into account:

a) The general conditions of a contract (GCC).
b) Any treasury guidelines on bid documentation.
c) Include evaluation and adjudication criteria, including any criteria required by other applicable legislation.
d) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted.

13.1.2 If the value of the transaction is expected to exceed ten million rand (R10 million) (VAT included), bidders are required to:

a) Indicate whether the bidder is required by law to prepare annual financial statements for auditing, as well as their audited annual financial statements:
   (i) for the past three (3) years; or

(ii) since their establishment, if established during the past three (3) years.

b) Provide a certificate signed by the bidder certifying that the bidder has no undisputed commitments for departmental services towards another service provider in respect of which payment is overdue for more than thirty (30) days.

c) Particulars of any contracts awarded to the bidder by an organ of state during the past five (5) years, including particulars of any material non-compliance or dispute concerning the execution of such contract.

d) A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic of South Africa, and, if so, what portion and whether any portion of payment from the DR&PW is expected to be transferred out of the Republic.

e) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), arbitration or, when unsuccessful, in a South African court of law.

13.1.3 Specifications or Terms of Reference (ToR) need to include the following, where applicable:

a) Description of the requirement.
b) Background.
c) Objective of the project, where applicable.
d) Quantity/volume applicable, where applicable.
e) Plans and drawings, where applicable.
f) Plans and drawings that reflect the text of the specification. (Please note that the order of precedence between the drawings and the specifications should be specified, where applicable.)
g) Minimum performance requirements.
h) Expected outcomes/deliverables.
i) Evaluation criteria including the ratio of points as applicable and the quantification thereof.
j) The particulars pertaining to the goal to be met, where applicable.
k) The delivery date(s), place(s) of delivery and/or the contract period applicable. In the case of period contracts a period of time for completion of the contract must always be prescribed in the relevant bid documents.
l) This period of time must also be precisely stated, e.g. "contract period: 24 months". Statements such as "within x months" or "before x months" must not be used.
m) Schedule for service delivery or completion date.
n) Shelf life, where applicable.
o) Packaging, where applicable.
p) Whether installation/erection is required and if affirmative, an indication of the

place/address where the installation/erection is to take place.

q) Whether demonstration/training is required and if affirmative, an indication of the place/address where the demonstration/training is to take place.

r) Whether a performance guarantee is required. Full particulars, amount and reasons must be given.
   (i) Performance guarantees should be commensurate with the degree of contractual risk to which the DR&PW is exposed and are normally applicable to large and complex contracts. Performance guarantees should spread the cost of the risk of failure between the contracting parties and should be set at such a level that all the DR&PW's costs relating to such failure are likely to be recovered.

s) The warrantee requirement and period applicable.
t) Whether samples must be submitted.
u) Where samples are to be submitted, the special conditions should state that samples must be submitted not later than the closing time or the date and time specified in the bidding documents.
v) Budget.
w) Indicate in the case of capital goods, whether foreign export credit facilities should be utilised.
x) Competency and expertise requirements.
y) Roles assigned to role players, where applicable.
z) Reporting requirements, where applicable.
aa) Available documentation pertaining to the specific project, where applicable.
bb) Any other information.

13.1.4 The most common types of contracts provide for payments on the basis of lump sum prices, unit prices, reimbursable cost plus fees, or combinations thereof.

13.1.5 Reimbursable cost contracts should be acceptable only in exceptional circumstances, such as conditions of high risk or where costs cannot be determined in advance with sufficient accuracy. Such contracts should include appropriate incentives to limit costs and may only be concluded subject to the approval of the Council or the delegate. It is advisable that the reasons and formal approval for following the reimbursable route are recorded for auditing purposes.

14. PUBLIC INVITATION OF COMPETITIVE BIDS

14.1 The procedure for the invitation of competitive bids, are as follows:

a) Bids must be invited by the SCM Directorate only after approval for the accuracy of information therein has been obtained from the relevant manager and the Bid Specifications Committee (BSC).

b) Any invitation to prospective providers to submit bids must be advertised in the Government Tender Bulletin and e-Tender Portal.

c) The information contained in a public advertisement, must include the following:

(i) The category of supplies, services or disposals involved as provided for in the Government Tender Bulletin.

(ii) Sufficient detailed description of the requirement, including the contract period applicable.

(iii) The place of work, installation or delivery.

(iv) Bid number.

(v) Closing date and time which may not be less than twenty one (21) days from the date on which the advertisement is placed.

(vi) Bids may only be invited for a shortened period of fourteen (14) days on approval of the AO.

(vii) Where bid documents are obtainable from: Including the name of the Institution, street address, postal address, e-mail address, contact person for enquiries, telephone number, facsimile number and office hours (Mondays to Friday) applicable.

(viii) Whether site meetings, information/briefing sessions are applicable and whether it is compulsory or not. For the Government Tender Bulletin, this information must be incorporated into the description.

(ix) Where bid documentation must be posted or delivered to: Including the name of the institution, street address, postal address, and bid box address, contact person for enquiries, telephone number and facsimile number.

d) The CFO may determine a closure date for the submission of bids which is less than twenty one (21) days from the date of advertisement required in terms of the Treasury Regulations, but only if such shorter period can be justified on the grounds of emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

e) The language of all bids must be in English.

f) Bids submitted must be sealed.

g) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

h) Availability of bid documents:
   (i) Bid documents must be ready and available before the requirement is advertised.
   (ii) Bid documents may be collected by or may be e-mailed or posted to prospective bidders applicable only on closed bidding process.

i) Bid/quotation validity period:
   (i) The validity period should allow the DR&PW sufficient time to finalise the evaluation and award of the quotation/bid.
   (ii) Bids must be valid for at least one hundred and twenty (120) days from the closing date of the bid.
   (iii) When the evaluation or adjudication of a bid is envisaged to go beyond the validity date, request bidders in writing to extend the validity of their bids. Bidders may either accept or reject the extended validity period and those who do not wish to extend the validity period would be regarded as non-responsive and would be excluded from further assessment.
   (iv) If a bidder is invited to extend its bid, either decline to do so or simply fail to respond to the invitation, the Department will exclude that bid from the adjudication process, and proceed on the basis of the bids of bidders that have accepted the extension.
   (v) Bids will be cancelled if the validity period has expired and has not been extended.

15. SITE INSPECTIONS / BID CLARIFICATION MEETINGS

15.1 Site inspections/clarification meetings in respect of bids exceeding five hundred thousand rand and up to nine hundred and ninety nine thousand and nine (R500 000, 00 to R999 009, 00) will, in general, not be compulsory. In exceptional circumstances however, a site inspection/clarification meeting may be made compulsory, with the approval of the Director: Supply Chain Management, provided that the minimum bid period is extended by at least seven (7) days.

15.2 If site inspections/clarification meetings are to be held, full details must be included in the bid notice, including whether or not the site inspection/clarification meeting is compulsory.

15.3 Where site inspections/clarification meetings are made compulsory, the date for the site inspection/clarification meeting shall be at least fourteen (14) days after the bid has been advertised.

15.4 A register of all participants present at the Briefing or Information Session should be compiled, indicating the following:

a) the names of the participants;
b) the relevant institution the participants represents;
c) contact details of participants; and
d) e-mail addresses of participants.

15.5 Any additional information, clarification, correction of errors, or modifications of bid documents should be sent to each recipient of the original bid documents in sufficient time before the closing date and time for receipt of bids to enable bidders to take appropriate actions.

15.6 Minutes of the site clarification meeting will be kept at the SCM Directorate of the DR&PW and the Project Manager.

16. TWO STAGE (PREQUALIFICATION) BIDDING PROCESS

16.1 In a two-stage (prequalification) bidding process, bidders are first invited to prequalify in terms of predetermined functionality criteria, without being required to submit detailed technical proposals (where applicable) or a financial offer.

16.2 In the second stage, all bidders that qualify in terms of the predetermined functionality criteria will be shortlisted and invited to submit final technical proposals (where applicable) and/or a financial offer.

16.3 This process may be applied to bids for large complex projects of a specialist or long term nature or where there are legislative, design, technological and/or safety reasons to restrict bidding to firms who have proven their capability and qualification to meet the specific requirements of the bid, including projects where it may be undesirable to prepare complete detailed technical specifications or long term projects with a duration exceeding three (3) years.

16.4 Once bidders have prequalified for a particular project, they shall be given not less than seven (7) days to submit a final technical proposal (where applicable) and/or a financial offer.

17. TWO ENVELOPE SYSTEM

17.1 A two-envelope system differs from a two-stage (prequalification) bidding process in that a technical proposal and the financial offer are submitted in separate envelopes at the same place and time.

17.2 The financial offers will only be opened once the technical proposals have been evaluated.

18. GUIDELINES WHEN FUNCTIONALITY IS INCLUDED AS A CRITERION IN THE EVALUATION OF BIDS

18.1 "Functionality" means the measurement according to predetermined norms of a service or commodity designed to be practical and useful, working or operating, taking into account quality, reliability, viability and durability of a service or commodity.

18.2 The need to invite and evaluate bids on the basis of functionality depends on the nature of the required commodity or service.

18.3 When functionality is utilised as an evaluation criterion, paragraphs 17.4 and 17.5 below must be adhered to.

18.4 When inviting bids an institution must indicate:

a) whether the bids will be evaluated on functionality;
b) the evaluation criteria for measuring functionality;
c) the weight of each criterion; and
d) the applicable values as well as the minimum threshold for functionality.

18.5 The evaluation of the bids must be conducted in the following two stages:

a) Firstly, the assessment of functionality must be done in terms of the evaluation criteria and the minimum threshold referred to in paragraph 18.4 above.
b) A bid must be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.
c) Thereafter, only the qualifying bids are evaluated in terms of the 80/20 or 90/10 preference points systems, where the 80 or 90 points must be used for price only and the 20 or 10 points are used for HDI ownership and/or for achieving the prescribed RDP goals.

19. LOCAL PRODUCTION AND CONTENT

a) The latest Preferential Procurement Regulations of 2022 do not recognise Local Production and Content.
b) The Preferential Procurement Policy Framework Act, (PPPFA) of 2000 does not provide for local production and content *per se* but refers to implementing the programmes of the Reconstruction and Development Programme (RDP) of 1994 and provides for points to be awarded for specific goals in this regard.

c) Implementation of the programmes of the RDP, as published in Government Gazette No. 16085, dated 23 November 1994:

i. Organs of state must support government's initiatives on development and sustaining the local manufacturing base. To this end, organs of state must identify within the RDP, if there are goals that support local manufacturing or industrialization in order to cater for those goals as part of their preferential procurement policy and specific goals in tenders.
ii. The DR&PW must therefore determine specific goals that support local manufacturing and industrialisation.

d) An organ of state must determine its preferential procurement policy and implement it within the following framework:
   i. Contracting with persons, or categories of persons, HDI's, historically disadvantaged by unfair discrimination on the basis of Race, Gender or Disability.

e) Any specific goal, for which a point may be awarded, must be clearly specified in the invitation to submit a tender. In this regard, the DR&PW will, in compliance with the RDP, advance procurement targeting Women, Youth and People with Disability, as well as People living in Rural Areas.

19.1 Designated Sectors

19.1.1 Tenders in respect of goods or services that have been designated for local production and content, must contain a specific bidding condition that only locally produced goods or services with a stipulated minimum threshold for local production and content will be considered.

19.1.2 The AO must stipulate in tender invitations that the exchange rate to be used for the calculation of local content (local content and local production are used interchangeably) must be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 noon on the date, one week (7 calendar days) prior to the closing date of the bid.

19.1.3 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x must be used to calculate local content.

19.1.4 The formula to calculate local content must be disclosed in the bid documentation.

19.1.5 The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows: LC = 1 x 100 Where x imported content y bid price excluding value added tax (VAT) Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12:00 on the date, one week (7 calendar days) prior to the closing date of the tender.

19.1.6 For the purpose of paragraphs **19.1.2, 19.1.3 and 19.1.4** above, the SBD / MBD 6.2 (Declaration Certificate for Local Content) must form part of the bid documentation.

19.1.7 The Declaration Certificate for Local Content (SBD / MBD 6.2) must be completed and duly signed. The AO is required to verify the accuracy of the rates of exchange quoted by the bidder.

19.1.8 In relation to a designated sector, a contractor must not be allowed to subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

19.2 Non-Designated Sectors

19.2.1 Where there is no designated sector, the DR&PW may decide to include a specific bidding condition that only locally produced goods or services with a stipulated minimum threshold for local production and content, will be considered, on condition that such prescript and threshold(s) are in accordance with the specific standards determined by the DTI in consultation with the National Treasury.

20. UNBUNDLING STRATEGIES

20.1 Unbundling of programmes or projects affords a wide range of participation opportunities to the full spectrum of targeted groups or enterprises. This can range from those operating as labour only contractors, to those operating as prime contractors or suppliers.

20.2 The use of Targeted Procurement enables contracts to be unbundled in a number of ways, viz.:

a) by procuring works or services in the smallest practicable quantities;
b) by obligating prime contractors or service providers to engage targeted enterprises in the performance of their contracts in terms of resource specifications;
c) by providing third party management support to enterprises which are not capable of operating as prime contractors (known as Development Contracts);
d) by allocation and/or distribution as per the scope of work; and
e) by requiring joint venture (JV) formation between large businesses and targeted enterprises (known as a Structured Joint Venture). JV agreements must clearly define the following:
   (i) percentages of shareholding;
   (ii) terms and conditions; and
   (iii) the skills transfer agreement.

21. PROCEDURES FOR HANDLING, OPENING AND RECORDING OF BIDS

a) Bids must be opened simultaneously in public directly after closing time on the closing date.
b) Names of all bidders shall be read out in public at the time of closure of the bid. Only for construction and related bids the price shall be read out as well. For other commodities/services the price shall not be read out.

c) Each bid must be in writing using non-erasable ink and must be submitted on the official Form of Bid/Offer issued with the bid documents.

d) The bid must be submitted in a separate sealed envelope with the name and the address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope may not contain documents relating to any bid other than that shown on the envelope. Only sealed bids will be accepted.

e) All bid documents must be stamped, recorded in a register, with date and time. The register may be availed for public scrutiny upon a written request.

f) The bid closing date may be extended by the AO or designated official if circumstances justify this action, provided that all bidders that have drawn bid documents are notified of this decision and that the notice to this effect is attached to all bid documents subsequently issued. Any amendment to the bid closing date shall also be published on the same publication used for initial invitation.

g) The onus shall be on the bidder to place the sealed envelope in the official, marked and locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.

h) No bids forwarded by telegram, facsimile or photocopied bids will be accepted.

i) Negotiations with preferred bidders: may only be done *via* the AO, provided that such negotiations do not allow the preferred bidder a second or unfair opportunity that may be detrimental to any other bidder and does not lead to a higher price than the bid submitted or any other preference.

j) Minutes must be kept of such negotiations and forwarded to Provincial Supply Chain Management in the Provincial Treasury (NCPT) by the 15th of each month.

k) Bids received in sealed envelopes in the bid box without a bid number or title on the envelope will be opened at the bid opening and the bid number and title ascertained. If the bid was in the correct bid box it will be read out. If the bid is found to be in the incorrect bid box, it will be redirected, provided that the applicable bids either closed on the same day at the same time, or are still open. If the bid closes at a later date, the bid will be placed in a sealed envelope with the bid number and title endorsed on the outside, prior to being lodged in the applicable box.

l) Two-stage bidding process: is allowed for large complex projects, projects where it may be undesirable to prepare complete detailed technical specifications or long term projects with a duration period exceeding three (3) years.

m) In the first stage technical proposals on conceptual design or performance specifications should be invited, subjected to technical as well as commercial clarifications and adjustments.

n) In the second stage final technical proposals and bid prices shall be invited.

21.1 Late Bids

a) A bid is late if it is not placed in the relevant bid box by the closing time for such bid.

b) A late bid shall not be admitted for consideration and shall be returned to the bidder upon request.

21.2 Communication with Bidders before Bid Closing

a) The DR&PW may, if necessary, communicate with bidders prior to bids closing.

b) Formal communication, which has implications of consequence for all those who tendered, shall be in the form of a notice issued to all bidders by the Director: Supply Chain Management (SCM) of the DR&PW by either e-mail, facsimile, or registered post as appropriate.

c) A copy of the notice, together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one (1) week prior to the bid closing date, where possible.

d) Notwithstanding a request for acknowledgement of receipt of any notice issued, the bidder will be deemed to have received such notice if the procedures in the clause above have been complied with.

22. OVERSIGHT ROLE OF THE PROVINCIAL TREASURY (NCPT) SCM UNIT

a) The Provincial Supply Chain Management Unit at Provincial Treasury (NCPT) shall maintain oversight over the implementation of the Provincial SCM Policy in the Northern Cape Province. **Therefore, in terms of the DR&PW District Offices, the DR&PW Director of SCM will maintain the oversight role.**

b) For the purpose of Provincial SCM's oversight role, the DR&PW's Accounting Officer (AO) shall:

(i) Within fifteen (15) days of each month submit a report on progress made with implementation of SCM by the DR&PW, as well as the monthly statistics on all acquisitions awarded exceeding one hundred thousand rand (R100 000, 00) per case (VAT included) on the National Treasury procurement statistics website, as well as reports and minutes of Bid Adjudication Committee (BAC) meetings.

(ii) **The reports and minutes of all awards made at the district offices shall be forwarded to the DR&PW Head of SCM within five (5) working days before every 15th day of every month for consolidation and submission to the Provincial SCM (NCPT) office.**

22.1 Publication of Awards

a) In adherence to National Treasury's Instruction Note on enhancing compliance monitoring, improving transparency and accountability in Supply Chain Management (31 May 2011), minimum requirements regarding the publication of awards are as follows:

(i) Publication of names of bidders in respect of advertised competitive bids (above the threshold of one million rand (R1 000 000, 00) all applicable taxes included) must be done ten (10) working days after closure of bid on the DR&PW website and/or the Provincial Government website. The following information must be published: names of all bidders who submit bids at closing time and date. If practical total price and preference claimed must be included.

(ii) After awarding of bids, the following information must be published in the Government Tender Bulletin and if applicable, other media used for advertisement and on the DR&PW and/or Provincial Government website:

1) Name (s) of successful bidder(s).
2) Preference claimed.
3) Contract price(s).
4) Brand names if applicable.
5) Completion date(s) of contracts.

(iii) Legal vetting of formal contracts or service level agreements. The AO must ensure that contracts are sound before signing off.

(iv) In terms of the placing of orders for payment in another financial year, the AO is prohibited from placing orders for goods and/or services from suppliers, receiving such goods and/or services and arranging with suppliers for such goods and services to be invoiced and paid for.

(v) Payment within thirty (30) days.

(vi) The AO must put in place mechanisms to ensure all that accounts owing are paid within thirty (30) days from the date of invoice, settlement or court judgment.

23. LISTS OF ACCREDITED SUPPLIERS AND SERVICE PROVIDERS

a) The National Treasury keeps the list of the accredited suppliers and service providers in the National Treasury Central Supplier Database (CSD).

b) The National Treasury electronic online CSD will be utilized by the DR&PW for the following:

(i) The selection of suppliers for invitation of quotes for goods and services.

(ii) Verification of supplier key information for bids and quotations received.
(iii) Business registration, including details of directorships and memberships.
(iv) Bank account holder information.
(v) In the service of the state status.
(vi) Tax compliance status.
(vii) BBBEE status.
(viii) Tender defaulting and restriction status.
(ix) Identity number.
(x) Any additional and supplementary verification information communicated by National Treasury.

NOTE: ***THE INFORMATION REGARDING THE UTILIZATION OF THE CENTRAL SUPPLIER DATABASE (CSD), SHOULD BE READ IN CONJUNCTION WITH NATIONAL TREASURY INSTRUCTION NO. 4 OF 2016/2017.***

24. ACQUISITION OF INFORMATION TECHNOLOGY (IT) RELATED GOODS OR SERVICES

a) The AO may request the SITA to assist with the acquisition of IT-related goods or services through a competitive bidding process.
b) Both parties must enter into a written agreement to regulate the services rendered by and payments to SITA.

c) The AO must notify the SITA, together with a motivation of the IT requirements if the:
(i) transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
(ii) transaction value of a contract to be acquired, whether for one or more years exceeds R50 million (VAT included).

d) If the SITA comments on departmental submissions and the DR&PW disagree with SITA's comments, the comments and reasons for rejecting or not following such comments must be submitted to the AO, Provincial Supply Chain Management (NCPT) as well as the AG.

25. ACQUISITION OF GOODS OR SERVICES UNDER CONTRACTS SECURED BY NATIONAL AND PROVINCIAL TREASURIES

a) The AO may participate in Transversal Contracts concluded by National Treasury or Provincial Treasury (NCPT).
b) Written requests to participate in Transversal Contracts must be submitted to Provincial Supply Chain Management (NCPT) and no other contract may be concluded during the period for the acquisition of the same or similar goods or services.

26. TERM BIDS

a) It is permissible to invite bids for the supply of goods and services that is of an *ad hoc* or repetitive nature, for a predetermined period of time (commonly referred to as a term contract).
b) The general acquisition procedure for term bids shall comply with procedures contained in the acquisition management system for competitive bids.
c) Bid documentation, where applicable, shall state that the acceptance of term bids based on a schedule of rates and will not necessarily guarantee the bidder any business with the DR&PW.
d) Material for repairs and maintenance can be purchased on a term contract where circumstances warrant it.
e) Additional items included in a term bid by any bidder, which is clearly not an alternative to any of the items specified, shall not be considered.
f) Orders for goods or services may be raised up until the expiry of the term bid, provided that the goods or services can be delivered within thirty (30) days of placing the order.
g) Orders for professional goods and services may be raised up until the expiry of the term bid, provided that the work in respect thereof is completed within the three (3) year budget cycle that is applicable at the time of placing the order.

27. APPOINTMENT OF CONSULTANTS

NOTE: THIS SECTION SHOULD BE READ IN CONJUNCTION WITH THE DEPARTMENTAL POLICY ON THE APPOINTMENT OF CONSULTANTS.

a) The AO must adhere to National Treasury and Provincial Treasury (NCPT) guidelines (Practice Note 2 of 2004 and updates), without exception. The same applies to the DPSA's guidelines on hourly tariffs.
b) The term Consultant includes, amongst others, consulting firms, legal firms, engineering firms,

construction managers, management firms, procurement agents, inspection agents, auditors, other multinational organizations, investment and merchant banks, universities, research agencies, government agencies, non-governmental organizations (NGO's) and individuals.

c) The establishment and operation of a roster system in support of a Preferential Procurement Policy for statutory tariff appointment of consultants for projects must be effected where the project fee does not exceed three million rand (R3 000 000, 00) (inclusive of VAT).

d) Consultancy services must be acquired through competitive bidding if the value of the contract is estimated to exceed one (1) million rand (R1 000 000, 00) (VAT included) **or** the duration period of the contract exceeds one (1) year.

e) In addition to any requirements by this policy for competitive bids, bidders must furnish particulars of:

(i) All consultancy services provided to an Organ of State. An Organ of State is defined as: *(National, Provincial and Local Government as well as Public Entities)* in the last five (5) years and any similar consultancy services provided to an Organ of State in the last five (5) years.

(ii) Copyright of any document produced, as well as working papers *e.g.* questionnaires used, research to compile statistics *etc.*, patent rights or ownership in any plant, machinery, system or process or IT-related programming designed or devised by a consultant in the course of the consultancy services is vested in the Northern Cape Provincial Administration; Department of Roads and Public Works.

28. DEVIATION FROM ACQUISITION PROCESSES

28.1 Emergency Situations

NOTE: THIS SECTION SHOULD BE READ IN CONJUNCTION WITH THE DEPARTMENTAL POLICY ON EMERGENCY PROCUREMENT.

a) The Accounting Officer (AO) may dispense with the official acquisition processes established by this policy and acquire any required goods/services through any convenient process, which may include direct negotiations in an extremely urgent or emergency situation.

b) Price quotations may be invited verbally, telephonically or per facsimile. The relevant parties in case of a verbal or telephonic quotation must confirm their offers in writing as soon as possible.

c) The AO or delegated official must approve all relevant acquisitions and record reasons for audit purposes.

d) All reasonable steps must be taken to ensure market related prices are obtained.

28.2 Acquisition from Print Media, Radio and Newspapers

a) It must be indicated which media will be utilized for the campaign and why, and the process should reflect fairness, competitiveness, cost effectiveness and transparency.
b) If acquisitions are needed from the regional newspapers or radio stations, it would be irrelevant to request quotations since these media are only found in those areas.
c) The approval within this category must be submitted to the CFO through SCM. This specific delegation applies when booking print media space directly with media owners.
d) A motivation indicating the need for an acquisition of this nature must be recommended by the relevant director after input from SCM practitioners and approved by the CFO.
e) The cost of newspapers is regularised by industry and that is why outlets will charge market-related prices. The DR&PW will purchase its newspaper(s) from an outlet that is approved by the CFO.

28.3 Other Deviations from Acquisition Processes

a) If goods and services are produced or available from a sole supplier only, the AO must request the profit margin of the sole supplier to determine the reasonability of a price quoted and compare the retail price of the good(s) or service(s) to the quoted price.
b) Reasons for deviations shall be recorded for audit purposes.
c) A quarterly report must be supplied to Provincial Supply Chain Management (SCM) of the NCPT on all deviations from acquisition processes as per this policy.
d) Sole-Source Procurement: Where the DR&PW contracts for goods or services without a competitive process, based on a justification that only one known source exists or that only one single supplier can fulfil the DR&PW requirements. Sole supplier status may occur when there is evidence that only one supplier possesses the unique and singularly available capacity to meet the requirements of the DR&PW. In this regard the SCM Directorate must:
    (i) obtain written confirmation of sole supplier status from the service provider or body;
    (ii) advertise the request on E-Portal as an alternative source to confirm that only one supplier exist to provide the required goods or services; and
    (iii) determine the reasonableness of the price if it is practical to do so.

e) Single-Source Procurement: Where, after the DR&PW conducts thorough analysis of the market and determines that two (2) or more suppliers can fulfil the requirements, the DR&PW by means of transparent and equitable pre-selection processes selects one supplier over others.
f) Multi-Source Procurement: Where after the DR&PW conducts a thorough analysis of the market and determines that two or more suppliers can fulfil the requirements and through a

transparent and equitable process contracts the required goods or services to multiple suppliers.

g) Urgent Procurement: Where early delivery is critical and the invitation of competitive bids is either impossible or impractical. (However, a lack of proper planning should not be constituted as an urgent case).

h) Emergency Procurement: Where a serious and unexpected situation that poses an immediate risk to, health, life, property or environment which calls for urgent action and there is insufficient time to follow a competitive bidding process.

i) Contracts Expansion: Where the need arises for the DR&PW to increase the scope of work on a contract already secured via the normal SCM process (tender/quotation process/transversal contract) beyond the 15/20 0/0 threshold.

j) Contract Variation: Where a need arises for the DR&PW to change the scope of work on a contract already secured via normal SCM process (tender or quotation process/ transversal contract) beyond the 1 5/200/0 threshold.

28.4 Contracts Providing for Compensation Based on Turnover

a) If a service provider acts on behalf of the DR&PW in providing any service or act as a collector of fees, services charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or amount collected, the contract between the service provider and the DR&PW must stipulate:

(i) a cap on the compensation payable to the service provider; and

(ii) that such compensation must be performance based.

28.5 Expansion or Variation Orders

a) In exceptional cases, especially in construction procurement, the AO may approve variation orders for goods/services/works or may expand a contract against the original value of the contract amount as follows:

(i) For construction related goods/works/services the variation may not exceed twenty per cent (20%) or twenty million rand (R20 million), inclusive of all applicable taxes of the original value of the contract, whichever is the lower amount.

(ii) For all other goods/services/works the expansion of the contract may not exceed fifteen per cent (15%) or fifteen million (R15 million) (including all applicable taxes) of the original values of the contract, whichever is the lower amount.

NOTE: ***ANY AMOUNT IN EXCESS OF THE ABOVE CAN ONLY BE APPROVED BY THE RELEVANT TREASURY IN TERMS OF A WRITTEN REQUEST TO PROVINCIAL SUPPLY CHAIN MANAGEMENT (NCPT).***

29. UNSOLICITED BIDS

a) The AO should refrain from considering unsolicited bids received outside normal bidding processes as it eliminates transparent, competitive acquisition processes.

b) If an unsolicited bid is considered due to an exceptional product benefit or cost advantages or a person or company is the sole provider of a product or service the following procedure must be followed:

(i) The BAC must consider the unsolicited bid. The BAC must take into account any comments submitted by the public and have to acquire written inputs from Provincial Supply Chain Management (NCPT), prior to making a recommendation to the AO.

(ii) If any recommendations of the Provincial Supply Chain Management Unit (NCPT) are not followed, the AO must submit to the AG and the Provincial Supply Chain Management Unit (NCPT) the reasons for rejecting or not following these recommendations. Such submissions must be made **before** any commitment is made or contract concluded. The AG and the Provincial Supply Chain Management (SCM) Unit (NCPT) will have thirty (30) days from receiving the submission to provide inputs to the AO during which period no contract may be concluded.

30. COMBATING ABUSE OF THE SCM SYSTEM

The AO must determine measures for the combating of abuse of the Supply Chain Management (SCM) system in terms of the following:

a) Take all reasonable steps to prevent abuse of the Supply Chain Management (SCM) system.

b) Investigate any allegations against an official(s) or other role player(s) of corruption, favouritism, unfair or irregular practices, improper conduct or failure to comply with the Supply Chain Management (SCM) system, and when justified:

(i) take steps against such official(s) or other role player(s) and inform Provincial SCM (NCPT) of such steps; and

(ii) report any alleged criminal conduct that may constitute an offence to the South African Police Service (SAPS).

c) Check National Treasury's Central Supplier's Database (CSD), available at Provincial Supply Chain Management (SCM) prior to awarding any bid as to ensure that no recommended bidder, nor any of its directors, is listed as companies or persons prohibited from doing business with the public sector.

d) Reject a proposal for the award of a bid if the recommended bidder or any of its directors have committed a corrupt or fraudulent act in competing for the particular contract.

e) Reject any bid from a bidder who, during the last five (5) years, has failed to perform satisfactorily on a previous contract with the NCPG or any other Organ of State after written notice was given to that bidder that performance was unsatisfactory.

f) Reject the bid of any bidder or any of its directors, if it has abused the Supply Chain Management (SCM) system of the NCPG or has committed any improper conduct in relation to the system and has been convicted of fraudulent or corrupted activities during the foregoing five (5) years.

g) Cancel a contract awarded to a supplier of goods or services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of the contract or if an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.

h) Reject any bid from a supplier who fails to provide a valid original SARS Tax Clearance Certificate as per requirement or proof from the SARS that the supplier is registered for tax purposes and has no outstanding tax obligations or has made arrangements to meet outstanding tax obligations.

i) The AO shall inform Provincial Supply Chain Management (NCPT) of any actions taken.

31. NON-COMPLIANCE MECHANISM

a) Provincial Supply Chain Management (NCPT) established an institutional mechanism to receive grievances regarding non-compliance with the prescribed supply chain processes, procedures and policies. Inquiries will be conducted and recommendations made for remedial actions.

b) Grievances of the DR&PW, as well as suppliers' grievances will be addressed in terms of the Northern Cape Provincial Treasury (NCPT) framework regarding the non-compliance mechanism.

32. COMPLIANCE WITH ETHICAL STANDARDS

32.1 All officials and other role players in the SCM system must comply with the highest ethical standards in order to promote:

a) mutual trust and respect; and
b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

32.2 The National Treasury's Code of Conduct for Supply Chain Management (SCM) Practitioners must be adhered to by all officials, as well as the DR&PW Specifications, Evaluation and Adjudication Committee members and all other role players involved in SCM. All officials must sign a copy of the SCM Code of Conduct and copies thereof must be furnished to Provincial SCM (NCPT) for record purposes.

32.3 If changes to the SCM organogram or any of the DR&PW Bid Committees are effected, copies of alterations must be forwarded to Provincial SCM (NCPT).

32.4 Supply Chain Management (SCM) practitioners, Bid Committee members and other role player shall:

a) recognise and disclose any conflict of interest that may arise;
b) treat all suppliers/service providers and potential suppliers/service providers equitably;
c) not use their position for private gain or to improperly benefit another person;
d) ensure that they do not compromise the credibility or integrity of the supply chain management system through the acceptance of gifts or hospitality or any other act;
e) be scrupulous in their use of public property; and
f) assist the AO in combating corruption and fraud in the SCM system.

32.5 If a DR&PW supply chain management (SCM) practitioner, Bid Committee member or other role player, or any close family member, partner or associate of such official, has any private or business interest in any contract to be awarded, that official, Bid Committee member or other role player must:

a) disclose that interest; and
b) withdraw from participating in any manner whatsoever in the process relating to that contract.

32.6 An official in the departmental Supply Chain Management (SCM) Unit who becomes aware of a breach of or failure to comply with any aspect of the SCM system must immediately report the breach or failure to the AO in writing.

33. REPORTING OF SCM INFORMATION

The Accounting Officer (AO) must submit to Provincial Supply Chain Management (SCM) (NCPT) such information as indicated in this policy within the timeframes indicated and in the required format.

34. DEBRIEFING OF UNSUCCESSFUL BIDDERS

After notification of award to the successful bidder, a non-compulsory session with unsuccessful bidders may be arranged and broadly reasons for awarding the contract discussed.

35. LOGISTICS MANAGEMENT

35.1 The AO shall establish an effective system of logistics management in accordance with Provincial SCM prescripts to provide for:

a) placing of orders;
b) receiving and distribution of goods;
c) ensure goods/services received comply with quality and quantity and other specifications;
d) expediting orders;
e) transport management;
f) vendor performance;
g) maintenance; and
h) contract administration.

35.2 From the logistics management process the financial system is activated to generate payments.

36. DISPOSAL MANAGEMENT AND LETTING OF STATE ASSETS

36.1 The Accounting Officer (AO) shall establish an effective system of disposal management for the disposal of unserviceable, redundant or obsolete state assets.

a) Obsolescence planning or depreciation rates per item are to be calculated.
b) A database of all redundant material and items are to be kept.
c) Assets are to be inspected for potential re-use.
d) Determine a disposal strategy for obsolete items.
e) Disposal of movable assets must be at market-related value utilizing price quotations, competitive bids or auction, whichever is most advantageous to the department, unless determined otherwise by Provincial Treasury (NCPT) in collaboration with Provincial SCM.
f) The AO may also transfer assets to other organs of state at market-related value free of charge by means of formal vouchers.
g) The AO must, when disposing of computer equipment, firstly approach a state institution or NGO involved in education and/or training to determine whether such an institution requires

IT equipment - if so, IT equipment shall be transferred free of charge to the identified institution.

h) The DR&PW shall not let any of its immovable property free of charge without the prior approval by Provincial Treasury (NCPT).
   (i) A register of all properties let must be kept, rental per month, method of collecting rental and rental agreement with occupant, all relevant expenses incurred on the property e.g. rates and taxes and maintenance. Property must be valuated every five (5) years by a valuator that is a registered member of the South African Valuators Association.

i) The AO shall review, at least annually when finalizing the budget, all fees, charges, rates or scales of fees or other charges relating to the letting of state property as to ensure sound financial planning and management.

j) Ensure that when assets are traded in for other assets (e.g. the MEC's vehicle), approaching at least three (3) dealerships and negotiate the highest possible trade-in price. If an acceptable trade-in value can't be negotiated, the vehicle may be sold per bid or auction whichever will be most advantageous to the NCPG.

37. RISK MANAGEMENT

37.1 The Accounting Officer (AO) must establish an effective system of risk management for the identification, consideration and avoidance of potential risks in the SCM system.

37.2 Risk management shall include:

a) identification of risks on a case-by-case basis;
b) allocation of risks to the party best suited to manage such risks;
c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
d) management of risks in a pro-active manner and the provision of adequate cover for residual risks;
e) assignment of relative risks to the contracting parties through clear and unambiguous contract documentation; and
f) risk management must form part of the business plan for the acquisition of all goods and services.

38. CONTRACTS AND CONTRACT MANAGEMENT

38.1 Contracts

38.1.1 The AO must ensure that all contracts entered into by the DR&PW are legally sound.

38.1.2 Contracts should be kept in a secure place for judicial reference.

38.1.3 The contracts concluded must consist of at least:

(a) the General Conditions of Contract (GCC) as issued by National Treasury;

(b) where applicable, Special Conditions of Contract (SCC) in relation to specific goods and services procured;

(c) submitted bid documents;

(d) documentation for the claiming of preferential bidding points;

(e) authority of the service provider to confirm with SARS on the tax status of the company during the duration of the contract; and

(f) letter of acceptance.

38.1.4 Contracts relating to Information Technology (IT) must be prepared in accordance with the State Information Technology Act, 1998 (Act No. 88 of 1998) and any regulations issued in terms of this act.

38.1.5 Special Conditions of Contract (SCC) may include, but is not limited to:

(a) a preamble that serves to explain the rationale for the conclusion of the contract or to provide contextual or background information;

(b) governance protocols;

(c) reporting on performance in terms of the contract or agreements in respect of contracts that extent over a period of time;

(d) a periodic review of the contract or agreement by the parties in respect of contracts that extent over the period of time;

(e) clauses that clearly and un ambiguously set out the rights and obligations of the parties, relevant to the specific subject matter in respect of which the contract is entered into;

(f) service levels, if applicable; and

(g) incorporation of other documents as annexures.

38.2 Contract Management

38.2.1 The Accounting Officer (AO) of the DR&PW must ensure that the SCM system of the DR&PW provides for contract management to include, but not limited to:

(a) recording contracts in a contract register;
(b) monitoring and regular reporting on contracts;
(c) evaluation of compliance with transversal contracts in which the institution participates;
(d) identification of institutional period contracts that are nearing expiry;
(e) evaluation of applications for price adjustments;
(f) evaluation of applications for variations , amendments, and cancellations; and
(g) invoking of penalty clauses.

38.3 Performance Evaluation of Contracts

38.3.1 The AO must continuously ensure that an assessment of the service provider (including consultants, when applicable) performance is undertaken and that this assessment should be available for future reference.

38.3.2 The assessment must include the reliability of the service provider in terms of, among others:
(a) delivery periods;
(b) quality; and
(c) quantity.

39. PERFORMANCE MANAGEMENT: SUPPLIERS & SERVICE PROVIDERS

39.1 The Accounting Officer (AO) shall establish an effective internal monitoring system in order to determine, on the basis of retrospective analysis, whether the prescribed and authorised supply chain management (SCM) process were followed and whether the desired objectives were achieved.

39.2 Some of the issues that must be reviewed in terms of the above mentioned SCM monitoring system are:
a) achievement of goals;
b) compliance with norms and standards;
c) savings generated;
d) cost variance per item acquired over a financial year;
e) contract breach;
f) vendor performance;
g) cost efficiency of acquisition process (i.e. the cost of the process itself);
h) whether DR&PW supply chain objectives are consistent with government's broader Policy focus;

i) material construction standards become increasingly aligned with those standards that support international best practice;
j) the principle of co-operative governance as expounded in the Constitution is observed; and
k) reduction of regional economic disparities is promoted.

40. SPONSORSHIPS

40.1 The AO must promptly disclose to Provincial Treasury (NCPT) any sponsorship(s) promised, offered or granted, whether directly or through a representative or intermediary, or by any person who is:
a) a supplier or prospective supplier/provider of goods or services; or
b) a recipient or prospective recipient of goods already disposed or stand to be disposed.

41. POLICY AND MANUAL ADOPTION AND REVIEW

41.1 This SCM policy and its accompanying SCM SOP Manual are effective from date of signature.

41.2 The assessment to determine the effectiveness and appropriateness of this policy will be done five (5) years after its effective date. The assessment could be performed earlier than five (5) years to accommodate any substantial structural or other organizational changes at the DR&PW or any change required by law.

41.3 If and when any provision of this policy is amended, the amended provision will supersede the previous one.

41.4 Deviations from this policy must be approved by the Accounting Officer (AO) of the DR&PW.

42. MONITORING AND EVALUATION (M&E)

42.1 The Directorate Supply Chain Management (SCM), supported by the departmental Monitoring and Evaluation (M&E) Unit shall, on behalf of the AO, ensure amongst others, the following:
a) Efficient and effective implementation of this policy.
b) The accessibility of this policy to the intended stakeholders.
c) The implementation of measures to limit the possible abuse of this policy.
d) Submission of the required Monitoring and Evaluation (M&E) Reports related to the implementation of this policy.
e) Development of the necessary tools and processes to assess the outcome of the policy implications by all the stakeholders.

43. VIOLATION AND ENFORCEMENT

43.1 Any failure to comply with this policy will be viewed as a serious disciplinary transgression and could lead to disciplinary action taken against the offending employee(s) in terms of the Public Service Regulations and Code of Conduct, as well as the DR&PW Compilation of Policies on Fraud, Corruption and Ethics Management, 2020, called *The Plan*.

43.2 Any employee that contravenes the provisions of this policy shall be charged with misconduct and/or fraud and corruption and will be held liable for any damages suffered by the state as a result of non-compliance.

43.2 Furthermore, those employees found to have connived or committed irregularities, including fraud and/or corruption and related matters, may be summarily dismissed from the public service.

43.4 Individuals who have been found guilty of violating this policy shall be prohibited from conducting any future business with the state; and, depending on the severity of the offence, legal action may be taken against the perpetrator(s); and if it is discovered that fraud and/or corruption was involved, the case will be reported to the SAPS for investigation and prosecution.

44. APPROVAL OF THE POLICY AND MANUAL AND DATE OF EFFECT

This Policy and its accompanying SCM SOP Manual (Annexure A) is

Approved / ~~Not Approved~~

Comments:

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ACCOUNTING OFFICER

24/01/2025

DATE

ANNEXURE A: Departmental SCM SOP Manual

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1. Purpose of the Manual

1.1 The purpose of this document is to formalize the DR&PW's supply chain management policy within the context of the Supply Chain Management Regulation 16A, which will be brought into effect through the policy framework, consisting of the following three components:

a) Directives, which provide specific direction on supply chain management and key decision points.
b) Delegations, which assign specific responsibilities to DR&PW role-players in terms of section 38(1)(4) of the PFMA.
c) Business processes, which align the DR&PW's day-to-day procedure with the overall requirements of the policy, directives and delegations.

1.2 This Manual must be read together with, and shall be interpreted within the framework of the Supply Chain Management Policy of the DR&PW and other policies and procedures of the South African government. The overall objectives of this SCM SOP Manual are to:

a) ensure the efficient, effective and uniform planning for and procurement of all services and goods, required for the proper functioning of the DR&PW, as well as the sale and letting of assets that conform to constitutional and legislative principles, whilst developing, supporting and promoting historically disadvantaged individuals (HDI's), small, medium and micro enterprises (SMME's) and preferential goals;
b) ensure that the DR&PW obtain value for money in the procurement of goods and services in order to fulfil its mandate, while redressing the economic imbalances that have been a consequence of unfair discrimination;
c) ensure the efficient, effective and uniform management of goods and services for the DR&PW;
d) ensure good governance throughout the DR&PW's supply chain processes; and
e) ensure that the DR&PW's strategic objectives are achieved.

1.3 The SCM Practitioners of the DR&PW shall read and implement this SCM Standard Operating Procedures (SOP) Manual.

1.4 Failure to comply with this SCM SOP Manual by the responsible official(s), or transgression(s) or undue interference by any DR&PW official or other person(s) with any of the procedures and processes prescribed herein and which may result in the DR&PW incurring irregular, wasteful and/or fruitless expenditure, will lead to disciplinary processes being instituted against the said official(s)/person(s) who, in the event of being found guilty of an offence, will be held financially and otherwise applicably liable and will also be subjected to such applicable consequence management processes as determined by the DR&PW and/or a court of law.

2. Utilization of the Manual

2.1 This Standard Operating Procedure Manual will enable the DR&PW to gain an improved understanding of its SCM business process and to identify areas that need improvement.

2.2 The advantages of a proper utilization of this Manual include, amongst others, the following:

a) assisting employees to keep to a defined work schedule;
b) assists in training employees;
c) guarantees compliance standards are met;
d) ensures that the processes and procedures described herein will not negatively impact the environment; and
e) avoids potential procurement, acquisition and logistics processing failures.

2.3 This SOP Manual will fail if employees do not follow it. Management, specifically direct supervisors, must monitor the utilization of this SOP Manual and any other SOPs impacting on this one, in order to ensure that it is being properly implemented, maintained and reviewed.

3. Benefits of the Manual

3.1 Two (2) major benefits of using a standard operating procedure manual such as this one, include consistency and a decrease in the amount of errors made.

3.2 SOPs also assist an institution to evaluate employee performance, save time and money and create a productive and conducive work environment.

3.3 In addition, this SCM SOP Manual will improve communication throughout the DR&PW regarding the issues it addresses.

3.4 If a task(s) as described herein changes, this Manual, and any other departmental SOPs related to such task(s) shall be reviewed, updated and re-distributed to anyone who uses it, helping the DR&PW efficiently communicate the change to anyone affected. SOPs also reduce the chance of miscommunication, since the detailed steps leave little room for debate or questioning.

4. The Supply Chain Management – Bid Compliance Committee (SCM-BCC)

4.1 Mandate of the SCM-BCC

4.1.1 The SCM-BCC is a committee internal to the SCM Directorate of the DR&PW, which will be constituted at the discretion of the Senior Manager: (i.e. Director) SCM.

4.1.2 The purpose of the SCM-BCC is as follows:

a) Ensure compliance with all the relevant procurement Regulations and Frameworks of government.
b) Conduct Pre-Evaluation for all bids invited and received.
c) Compile a Pre-Evaluation, Post-Evaluation and Close-up bidding Process Report.
d) Ensure proper application of Financial Delegations.
e) Identify possible risks within the procurement process.
f) Identify and prevent any possible occurrence of irregular, wasteful and/or fruitless expenditure.
g) Conduct Post Award Audits to ensure adherence and compliance to the set procurement regulations and bid conditions.

4.2 Composition of the SCM-BCC

a) Committee members will be appointed on an *ad hoc* basis, in writing, by the Senior Manager (Director) Supply Chain Management of the DR&PW.
b) Only supply chain management practitioners will serve as members of the DR&PW Supply Chain Management-Bid Compliance Committee (SCM-BCC).
c) The Senior Manager Supply Chain Management (SCM) of the DR&PW is delegated to appoint and terminate the appointment of the members of the SCM-BCC.
d) The DR&PW Senior Manager: SCM will preside as chairperson for all acquisition of goods/services/works within the threshold value of five hundred thousand and one rand (R500 001, 00) to unlimited.
e) The Manager: SCM of the DR&PW will preside as chairperson for all committee meetings for acquisition of goods/services and works within the threshold value of two thousand rand (R2 000, 00) to five hundred thousand rand (R500 000, 00).
f) The number of SCM practitioners to serve on the SCM-BCC is to be determined by the DR&PW Senior Manager: SCM, as per procurement case.

4.3 Functions, Duties and Responsibilities of the SCM-BCC

a) The applicable chairperson of a relevant SCM-BCC meeting is to notify, in advance [at least five (5) working days] all SCM practitioners appointed for an SCM-BCC meeting.
b) Participants and all members of an SCM-BCC meeting must declare their interest (and any conflicts of interest) pertaining to the matters on the agenda, and sign the attendance register.
c) Participants and all members of an SCM-BCC meeting must ensure compliance will all procurement regulations as per this SCM SOP Manual and all other applicable legislation, regulations and other relevant SOPs.
d) Participants and all members of an SCM-BCC meeting must ensure that all relevant procurement documents are duly completed and signed by the bidder(s).

e) The SCM-BCC must utilize all SCM resources and tools to authenticate all information disclosed by the bidder(s) through submitted bid documents, with emphasis on conflict of interest forms, local content, and other relevant disclosure bid documentation forms.

f) The SCM-BCC must ensure that the DR&PW procure on the basis of value for money.

g) The SCM-BCC must perform procurement audit activities as and when required/deemed necessary by the DR&PW Senior Manager: SCM.

h) Individual SCM practitioners of the DR&PW may be nominated and appointed to serve as compliance officers for the administration function of the closing day of the bids, referring to the closing and opening of the bids, the recording and registering of the bids received and date stamping of every page of bid documentation received.

i) The relevant SCM individuals/SCM-BCC members are to follow all procurement steps outlined in this SCM SOP Manual.

j) The SCM-BCC must compile an SCM Compliance Report, covering the different stages of procurement process.

5. Procurement, Acquisition, Competitive Bidding and Logistics Processes and Procedures

5.1 PROCESS FOR PROCUREMENT – GOODS AND SERVICES, WORKS DEMAND SECTION – STAGE 1(A) PLANNING

ACTIVITY	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
PROCUREMENT PLAN	Directorates Needs submission/plan. MEC Budget Speech/Priorities.	Senior Managers. Managers. SCM Manager. Demand Manager. (Strategic / Executive Committee).	All.	All internal controls can be referenced to Treasury Regulation 8 and PFMA Sections 38, 39, 40. National Treasury (NT) Practice Note. Provincial SCM Policy. Departmental SCM Policy.

				Procurement best practice documents. Management Performance Assessment Tool (MPAT) Reference: Figure1 Procurement planning Compilation and Submission Procedure.
PROCESS	**EXECUTIVE MEMBER'S ROLE** 1. Set Procurement Priorities. 2. Define Procurement Risk. 3. Recommend Risk Mitigation. 4. Needs and Sourcing Analysis. 5. Forecast, Categorize and Prioritize Demand. 6. Develop and Approve Procurement Strategy. 7. Procurement Plan Forward to Treasury.			
DEMAND MANAGEMENT PLAN	Procurement Plan. Procurement strategies Plan. Demand Management Plan.	Manager: SCM. Manager: Demand. BSC. HOD.	All	NT Practice Note. Provincial SCM Policy. Departmental SCM Policy. Procurement best practice documents. MPAT.
PROCESS	**SCM MANAGER AND DEMAND MANAGER ROLES** 1. Develop and Implement Procurement Schedule.			

	2. Receive *ad hoc* Business Case request. 3. Procurement Schedule Adjustment. 4. Endorse Procurement Schedule – Manager: SCM. 5. Approve Procurement Schedule – Bid Specification Committee (BSC). 6. **HOD** Approve/Reject Recommendation(s) of BSC. 7. Report Demand Management Plan.			
REGISTRATION OF SUPPLIERS ON DATABASE				
GOODS AND SERVICES	National Treasury Central Supplier Database. LOGIS Maintenance Form. Annual invitation to register on LOGIS system/ Documents from suppliers: -Entity form; -Tax clearance; certificate.	Provincial Treasury. Demand Senior Clerk. District Office.		Provincial and Departmental SCM Policy. PN 8 of 2007/2008. NTR 16A6.3 (e). NTI 02 OF 2016/17. Central Supplier Database (CSD) LOGIS Security Management Manual. Departmental LOGIS database-excel spread sheet.
CONTRACTORS	CIDB Forms.	CIDB Provincial Office.	CIDB Office.	CIDB Act, 2000 (Act No. 38 of 2000).
PROFESSIONAL SERVICES	RFP Documentation.	Assistant Manager: Demand	Head Office.	Provincial and DR&PW SCM Policies respectively. PSP Roster List.

				PSP Policy and SOP.
PROCESS	1. Annually invites suppliers of goods and services to register and update details on the LOGIS system. Departmental - set date for province on a continuous basis (End of January). 2. Registration of Professional Services Roster to be closed for a period of three (3) years and annually reviewed.			

5.2 DEMAND SECTION – STAGE 1(B) PROCUREMENT REQUEST INCEPTION QUOTATION PROCESS FOR GOODS AND SERVICES FROM R0 - R500 000

ACTIVITY	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS & SERVICES REQUIRED	1. SLD *(fully completed and approved)*, submission. 2. Budget Availability *(cost manager must indicate amount of available budget)*. 3. SCM Process Flow and Compliance Checklist Specification Library). 4. Specification *OR* annually approved specification. 5. Rotation Register.	Assistant Manager: Demand.	Head Office.	Provincial and DR&PW SCM Policies.
PROCESS	1. Receive an Approved SLD *(compiled by client, approved by delegated person)*, submission (*signed by appropriate person)*. 2. Check and verify the Budget *(availability and allocations – refer to (budget controller)*.			

	3. Verify the Specification correctness and compliance [***goods/services zero to five hundred thousand rand (R0 - R500 000, 00) specification library for both head office and districts must be utilized].*** 4. Attach SLD, submission together with the SCM Process flow and Compliance check list *(docs must follow the process!!!).* 5. Select the Method or procurement Strategy on SCM Checklist *(Threshold values / Tender/Term Contract).* 6. Select the suppliers from Central Supplier Database according to the procurement strategy. 7. Register them on the Rotation Register (Supplier Rotation SOP). 8. Supervisor verifies that all information needed on the SCM Checklist relating to the section is completed. 9. Approve the section information on checklist. 10. Start LOGIS transactions. 11. Register the request in demand register then forward it to Acquisition Manager for further Handling (Districts one register from inception to delivery to performance). ***NOTE: No procurement to continue without adherence to all above mentioned steps.***

5.3 DEMAND SECTION OPEN COMPETITIVE BID PROCUREMENT PROCESS FOR GOODS, SERVICES, WORKS ABOVE R1 000 000 – STAGE 1(C) PROCUREMENT REQUEST INCEPTION

ACTIVITY	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
OPEN BIDS	1. Cost Manager Request Memo including project needs assessment. 2. Request approved by cost centre manager. 3. Draft Bid Document. 4. T1 Form (request to advertise).	Assistant Manager: Demand. SCM	H/O Demand Manager.	**DR&PW SCM Policy and DR&PW Financial Delegations.** **PN 8 of 2007/08 par. 3.4.1,TR 16A6.1 TR16A6.4, PN 6 of 2007/08.**

PROCESS	1. Open a file and attach the control sheet **(Write description of the project and *DO NOT ISSUE BID NUMBER*).** 2. Receive approved Cost Manager Request, memo and need assessment to procure. 3. Verify the Budget availability. 4. Receive draft Bid document. 5. Arrange Bid Specifications Committee (BSC), and Host BSC meeting, co-opt the project leader- ***[goods/services zero to one million rand (0 – R500 000, 00) specification library for both head office and districts must be utilized].*** 6. Forward the approved BSC minutes and recommendations to SCM Manager for Verification, then recommendations to HOD for Approval. 7. Receive back and Attach the BSC approved minutes and approved recommendations. 8. Select media publication to be used for advert, thus including Government Tender Bulletin. 9. Record the file with all demand processes in the Demand Register. 10. Forward to Acquisition Manager for Further Handling. ***NOTE: NO procurement to continue without all the steps being followed, unless it is a deviation, and must be handled as per financial delegation, DR&PW SCM Policy and Preferential Procurement Policy and Manual.***

5.4 DEMAND SECTION – TERM CONTRACTS, FRAMEWORKS – STAGE 1(D) PROCUREMENT INCEPTION

DEMAND SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
TERM CONTRACTS AND TRANSVERSAL CONTRACTS	1. SLD, MEMO. 2. Copy of Contract. 3. SCM Check List and compliance check list.	**Assistant Manager: Demand.** **Senior Clerk.**	**H/O and District Office.**	**DR&PW SCM Policy.** **NT Practice note.** **Demand Management Plan.**
PROCESS	1. Receive and verify the SLD Correctness and compliance. 2. Receive the Quantity of goods/scope of works. 3. Receive the estimate cost amounts for goods/services. 4. Verify the Budget Availability.			

	5. Verify Supplier availability of material, goods, and services. 6. Select three (3) suppliers from the list of relevant term contracts/transversal contracts. 7. Complete and Approve SCM Check list. 8. Start LOGIS transaction. 9. Forward to Acquisition for further handling.

5.5 ACQUISITION PROCESSES – QUOTATIONS – STAGE 2(A) - SOURCING
Threshold Value (R0 – R2 000) & Threshold Value (R2 001 – R29 000)

ACQUISITION SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	SCM Compliance Checklist. Approved SLD. Annexure F/Quotations Form. NCP 4, 8, 9 Forms. Price Comparison Schedule.	**Acquisition Clerk.**	**All.**	Financial Delegations. DR&PW SCM Policy. PN 8 of 2007/08 par 3.3.3 & 3.3.2). PN 8 of 2007/08 par 3.2, TR16A6.1). PN 8 of 2007/08 par 3.3.1TR16A6.1, (PN 8 of 2007/08 par 3.3.1 TR16A6.1). PN 7 of 2009/10. TR 16A3.2 (a). TR 8.2. LOGIS Process Manual. LOGIS Security Manual. Statistics Form. SCM Checklist.
PROCESS	1. Receive approved SLD attached to SCM Compliance Checklist. 2. Confirm Procurement Strategy. 3. Invite telephonic/verbal Quotes ***[minimum of three (3) quotations] as per approved selected supplier.*** 4. Print the CSD Report of the service providers to be invited to make sure that the Tax matters at time of invite are correct. 5. Forward the Annexure F quotation Form and NCP 4, 8 9 to all approved			

	selected suppliers. 6. Receive back quotation at the Date and Time of closure. 7. Confirm Responsiveness and the lowest/cheapest quote. CSD report must be printed again before signatory of order. 8. Forward the quotation/s [zero to twenty nine thousand nine hundred and ninety nine rand (R0 – R29 999)] for Approval by the SCM-BCC. 9. Start the LOGIS process. 10. Forward the quotation Batch to Logistics for further Handling.

5.6 ACQUISITION COMPETITIVE BIDDING PROCESS – QUOTATIONS STAGE 2 (B) SOURCING – R30 000 – R1 000 000

ACQUISITION SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	SCM Compliance Checklist. Approved SLD. Full Standard Bid Documents (NCP1-NCP9). **SCM Pre-Evaluation checklist.**	**Manager: Acquisition and Manager: Demand.** **Appointed SCM-BCC.** **Acquisition Clerk.**	**All.**	Financial Delegations. DR&PW SCM Policy. **Obtain list of prospective suppliers (PN 8 of 2007/08 par 3.3.3 & 3.3.2).** **TR16A6.1** **(TR 16A6.3 (b), PPPFA Sec 2(1)(a), PPR 5(2), PPR 10, PPR 5(2)&(3).** Departmental/Provincial Website. LOGIS Process Manual. LOGIS Security Manual. Guidelines for SCM-BCC.
PROCESS	1. Receive approved SLD/memo attached to SCM Compliance Checklist. 2. Confirm Procurement Strategy. 3. Invite written Quotes [thirty thousand rand to one million rand (R30 000, 00 – R1 000 000, 00) **(minimum of three (3) suppliers/contractors)]; Print CSD report to confirm tax status.** 4. Set quotation closing date and validity date [Closing date maximum of fourteen (14) Day and thirty (30) Days validity period].			

5. Send Request to Senior Manager: SCM ***OR*** Delegated SCM Manager to appoint compliance team to undertake closing of the bid/quotation and Stamping Process [process (refer to SCM Pre- Evaluation Checklist and Guideline)].
6. Close the quotation on the set date (Print CSD report).
7. Submit the procurement documents to Delegated Chairperson of SCM-BCC, to schedule a bid compliance Meeting for pre-evaluation of the procurement documents.
8. SCM-BCC meeting to be held for pre-evaluation of quotations.
9. Conduct Bid Committee pre-evaluation process (refer to SCM Pre-Evaluation Checklist and Guideline).
10. Forward the Procurement file together with Quotations to BEC or Chairperson of the BAC for approval. Chairperson authority to sign up to two million rand (R2 million) or Senior Manager (Director): SCM with delegated authority – one hundred thousand rand (R100 000, 00); Districts – six hundred and fifty thousand rand (R500 000, 00).
11. Start the LOGIS process.
12. Record the quote Information on the quotation Register.
13. Record the BBB-EE contribution level of the awarded quote on the National Treasury monthly procurement statistics Websites.
14. Forward the Minutes of BEC, BAC, HOD Approved recommendation to DR&PW Head Office - SCM for monthly reporting to Provincial Treasury.
15. Forward the quotation Batch to Logistics for further Handling. CSD report must be printed again before signatory of order.

NOTE: Should the recommended bidder be non-compliant on CSD regarding his/her tax matters the bidder must be given at least seven (7) calendar days to rectify; failure of which, will render him/her non-responsive and recalculation of points will be done and new highest points scorer be awarded.

5.7 ACQUISITION TERM CONTRACTS / TRANSVERSAL CONTRACTS – STAGE 2 (C) SOURCING

TERM CONTRACTS AND TRANSVERSAL CONTRACTS	SLD, MEMO Copy of Contract, SCM Check List and compliance check list.	**Assistant: Manager Demand. Senior Clerk.**	**H/O and District Office.**	**DR&PW SCM Policy. NT Practice note. Demand Management Plan.**
PROCESS	1. Persons or committee responsible for drafting the specifications. 2. Methodology for the selection of suppliers from the Central Suppliers Database (CSD) for invitation to quote. 3. The period (days) for which price quotations will be invited for (closing date). 4. The validity period of price quotations after the closing date. 5. The method of inviting and receiving price quotations including documentation. 6. Process to be followed when inviting price quotations from foreign suppliers. 7. Persons or committee responsible for the evaluation of price quotations. 8. Persons or committee responsible for the adjudication of price quotations. 9. Proper record keeping for audit and record purposes. 10. Provisions of the Preferential Procurement Regulations 2022. *Applicable Tresholds:* 1 000 000 invite minimum of 3 maximum of 5 service providers. 1 000 000 - 50 000 000 invite. 1. Receive and verify the SLD Correctness and compliance. 2. Receive the Quantity of goods/scope of works. 3. Receive the estimate cost Amounts for goods, services. 4. Verify the Budget Availability. 5. Verify Supplier Availability of material, goods, and services. 6. Select a minimum of three (3) suppliers to a maximum of ten (10) suppliers from the list of relevant term contracts/ transversal contracts/			

	Panel of Service Providers. 7. Request Updated Bid Declaration forms from the suppliers. 8. Check and verify the bidder Disclosure Forms. 9. Apply points system for award of a Purchasing order. 10. Complete and Approve SCM Check list. 11. Start LOGIS transaction. *Forward to Acquisition for further handling:*
CONTRACTOR DEVELOPMENT PROCESS	1. Receive and verify the SLD/ Memo for Correctness and compliance. 2. Verify the Budget Availability. 3. Apply CIDB norms and standards. 4. Receive the Quantity of goods/scope of works. 5. Receive the predetermined bill of quantities. 6. Verify Supplier Availability of material, goods, and services. 7. Identify and nominate one (1) or more contractors for development purposes. 8. Issue standards bidding document to nominated Contractor or contractors. 9. Convene a clarification meeting with Contractor or contractors where applicable. 10. Upon closing date, verify all returnable documents and prepare appointment letter.

5.8 ACQUISITION COMPETITIVE BIDDING PROCESS – QUOTATIONS STAGE 2 (D) SOURCING (Above R200 000 – R1 000 000)

ACQUISITION SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	SCM Compliance Checklist. Approved SLD. Full Standard Bid Document.	**Manager: Acquisition and Manager: Demand. Appointed SCM-BCC. Acquisition Clerk.**	**All.**	Financial Delegations. DR&PW SCM Policy. NT Practice Notes **(PN 8 of 2007/08 par 3.3.3 & 3.3.2) PN 8 of 2007/08 par 3.3.1, TR16A6.1 (TR 16A6.3 (b), PPPFA Sec 2(1) (a), PPR 5(2), PPR 10,**

	SCM Pre-Evaluation checklist.			**PPR 5(2) & (3).** Departmental/Provincial Website. LOGIS Process Manual. LOGIS Security Manual. Guidelines for SCM-BCC.
PROCESS	1. Receive approved SLD/Memo attached to SCM Compliance Checklist. 2. Confirm procurement strategy. 3. Invite written Quotes [minimum of Five (5) suppliers]. 4. Open quotation document collection Register. 5. Set quotation Closing date and Validity date [closing date maximum of fourteen (14) Days and thirty (30) Days validity period]. 6. Send Request to Senior Manager: SCM ***OR*** Delegated SCM Manager to appoint Compliance Team to undertake Closing of the bid/quotation and Stamping Process (process refer to SCM Pre-Evaluation Checklist and Guideline). 7. Close the quotation on the set Date. 8. Submit the procurement documents to delegated Chairperson of SCM-BCC, to schedule a bid Compliance Meeting for pre-evaluation of the procurement documents. 9. SCM-BCC meeting to be held for pre-evaluation of quotations. 10. Conduct Bid Committee pre-evaluation process (refer to SCM Pre-Evaluation Checklist and Guideline). 11. Apply preferential procurement point system (80/20). 12. Compile SCM Compliance Report for prior BEC Meeting Processes. 13. Forward all bids received to BEC together with the SCM Compliance Report Approved by delegated SCM Senior Manager or Delegated SCM Manger. 14. Forward the Bid Evaluation Report for SCM Compliance Audit by SCM-BCC. 15. Forward the BEC and BCC Report to delegated official for appointment 16. Add Bid Close Up Comment/paragraph on the SCM Compliance Report. 17. Start the LOGIS process. 18. Record the bid information on the Tender and Quotation Register. 19. Record the BBB-EE contribution level of the awarded quote on the National Treasury Procurement Statistics websites. 20. Forward the procurement Batch to Logistics for further Handling. 21. Start **the LOGIS process.**			

	22. Record the quote Information on the quotation register. 23. Record the BBB-EE contribution level of the awarded quote on the National Treasury monthly procurement Statistics website. 24. Forward the minutes and recommendation of BEC, BAC, HOD Approved to DR&PW Head Office - SCM for monthly reporting to Provincial Treasury. 25. Forward the quotation Batch to Logistics for further Handling.

5.9 ACQUISITION PROCESS – COMPETITIVE PROCESS – OPEN BIDS / TENDERS – STAGE 2 (E) SOURCING (Above R1 000 000, but less than R50 000 000)

ACQUISITION SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	Full Standard Bid **Document (ncp1-ncp9).** BSC Minutes. HOD Approval. T1Form (Request to advertise). NCT 52 (List of names forbids received). **SCM Pre-Evaluation checklist.**	**Senior Manager: SCM.** **Manager: Acquisition and Manager: Demand.** **SCM-BCC.** **Assistant Manager Acquisition**	**All.**	Financial Delegations. DR&PW SCM Policy. NT Practice Notes **PN 8 of 2007/08 par 3.3.3 & 3.3.2), PN 8 of 2007/08 par 3.3.1, TR16A6.1** **(TR 16A6.3 (b), PPPFA Sec 2(1) (a), PPR 5(2), PPR 10, PPR 5(2) & (3).** **All NT Practice notes.** Departmental/Provincial Website. LOGIS Process Manual. LOGIS Security Manual. Bid Closing Process Guidelines. Compulsory Bid briefing session Guidelines. SCM Bid Compliance Guidelines.
PROCESSES	1. Receive above mentioned Source documents. 2. Implement procurement strategy as per BSC Recommendation and HOD APPROVAL.			

3. Invite bids through Local Newspapers, Government Tender Bulletin, for the minimum of twenty one (21) Days and validity of ninety (90) Days (**Calendar days).**
4. Compulsory briefing session should be ten (10) days before the closing date, *amendments also ten (10) days before closing date. (Refer to* Compulsory Bid briefing session Guidelines).
5. Send Request to Senior Manager: SCM ***OR*** Delegated SCM Manager to appoint compliance team to undertake closing of the bid/quotation and Stamping Process (refer to SCM Pre- Evaluation Checklist and Guideline).
6. Close the bids on the set date. ***(Refer to Bid Compliance Guidelines).***
7. Submit the procurement documents to delegated Chairperson of SCM-BCC for closing of bid administration functions; include List of Bids received that need to be advertised on departmental website within ten (10) days of closing of bids and a bid compliance meeting for pre-evaluation of the procurement documents.
8. SCM-BCC meeting to be held for pre-evaluation of quotations.
9. Conduct Bid Committee pre-evaluation process (refer to SCM Pre-Evaluation Checklist and Guideline) including the following step No. 10.
10. Apply (Pre–Evaluation and apply Preferential Procurement Point System (80/20) less R50m.
11. Compile SCM Compliance Report for prior BEC Meeting Processes.
12. Forward all bids received to BEC, together with the SCM Compliance Report, Approved by delegated SCM Senior Manager or Delegated SCM Manger.
13. Conduct BEC Meeting.
14. Forward the Bid Evaluation Report for SCM Compliance Audit by SCM-BCC.
15. Forward the BEC and SCM-BCC Report to BAC for adjudication, and for recommendation for appointment by the HOD.
16. Prepare and Forward Appointment Letter for HOD approval, together with all Bid Committees Reports.
17. Forward the Appointment Letter to the Contractor/Supplier/Project Manager/Programme Manager.
18. Add Bid Close Up Comment/paragraph on the SCM Compliance Report.
19. Start the LOGIS process.
20. Record the bid Information on the Tender and Quotation Register.
21. Record the BBB-EE contribution level of the awarded quote on the National Treasury Procurement Statistics websites.
22. Forward the procurement Batch to Logistics for further Handling.

5.10 ACQUISITION PROCESS – COMPETITIVE PROCESS – OPEN BIDS / TENDERS R50 000 000 AND ABOVE – STAGE 2 (F) SOURCING

ACQUISITION SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	Full Standard Bid **Document (ncp1-ncp9).** BSC Minutes. HOD Approval. T1 Form (Request to advertise). NCT 52 (List of names for bids received). **SCM Pre-Evaluation checklist.**	**Senior Manager: SCM.** **Manager: Acquisition and** **Manager: Demand.** **SCM-BCC.** **Assistant Manager: Acquisition.** **Acquisition Clerk.**	**All**	Financial Delegations. DR&PW SCM Policy. NT Practice Notes **PN 8 of 2007/08 par 3.3.3 & 3.3.2) PN 8 of 2007/08 par 3.3.1, TR16A6.1** **(TR 16A6.3 (b), PPPFA Sec 2(1)(a), PPR 5(2), PPR 10, PPR 5(2)&(3).** **All NT Practice notes.** Departmental/Provincial Website. LOGIS Process Manual. LOGIS Security Manual. Bid Closing Process Guidelines. Compulsory Bid briefing session Guidelines. SCM Bid Compliance Guidelines. PPPFA of 2017.
PROCESS	1. Receive above mentioned Source documents. 2. Implement procurement strategy as per BSC Recommendation and HOD APPROVAL. 3. Invite bids through, Local Newspapers, Government Tender Bulletin, for the minimum of twenty one (21) Days and validity of ninety (90) Days **(Calendar days).** 4. Compulsory briefing session should be ten (10) days before the closing date, *amendments also ten (10) days before closing date* (refer to Compulsory Bid briefing session Guidelines). 5. Send Request to Senior Manager: SCM ***OR*** Delegated SCM Manager to			

	appoint compliance team to undertake closing of the bid/quotation and Stamping Process (refer to SCM Pre-Evaluation Checklist and Guideline). 6. Close the bids on the set date. ***(Refer to Bid Compliance Guidelines).*** 7. Submit the procurement documents to delegated Chairperson of SCM-BCC for closing of bid administration functions; include List of Bids received that need to be advertised on departmental website within ten (10) days of closing of bids and a bid compliance meeting for pre-evaluation of the procurement documents. 8. SCM-BCC meeting to be held for pre-evaluation of quotations. 9. Conduct Bid Committee pre-evaluation process (refer to SCM Pre-Evaluation Checklist and Guideline); including the following step No. 10. 10. Apply Preferential Procurement Point System (90/10) above R50m. 11. Compile SCM Compliance Report for prior BEC Meeting Processes. 12. Conduct BEC Meeting. 13. Forward all bids received to BEC together with the SCM Compliance Report Approved by delegated SCM Senior Manager or Delegated SCM Manger. 14. Forward the Bid Evaluation Report for SCM Compliance Audit by SCM-BCC. 15. Forward the BEC and SCM-BCC Report to BAC for adjudication and for recommendation for appointment by the HOD. 16. Prepare and Forward Appointment Letter for HOD approval, together with all Bid Committees Reports. 17. Forward the Appointment Letter to the Contractor/Supplier/Project Manager/Programme Manager. 18. Add Bid Close Up Comment/paragraph on the SCM Compliance Report. 19. Start the LOGIS process. 20. Record the bid information on the Tender and Quotation Register. 21. Record the BBB-EE contribution level of the awarded quote on the National Treasury Procurement Statistics websites. 22. Forward the procurement Batch to Logistics for further Handling.

5.11 LOGISTICS PROCESS STAGE 3 (A) LOGISTICS MANAGEMENT

LOGISTICS SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
GOODS AND SERVICES	Full Standard Bid Document or Annexure F Quotation form. All Procurement Documentation. Procurement Advice.	**Assistant Manager: Logistics.** **Acquisition Clerk.**	**All.**	**Financial Delegations.** **DR&PW SCM Policy.**
PROCESS	1. Receive above mentioned Source documents. 2. Print the Order Form and submit to the relevant Authority for signature. 3. Forward the Order Form to the Supplier, indicating the date of delivery - thirty (30) days. 4. File the Procurement Document. 5. Update Goods Delivery Register. 6. Notify the Client about the date of delivery. 7. Follow up the delivery every four (4) Days after the orders being issued. 8. Update the Delivery Register. 9. Receive the goods - Physically inspect quality, quantity and cost. 10. Acquire a certifying Signature from the end User on the delivery note/invoice. 11. Dispatch goods to Client. 12. Client to Sign service and goods delivery note and Review Supplier Performance. 13. Receive Goods on LOGIS system. 14. Capture the invoice. 15. Compile payment batch using relevant documentation and submit to relevant official for Authorization of payment. 16. Update the Goods Delivery Register, and Rate the service of the supplier.			

5.12 LOGISTICS SECTION STAGE 3 (B) TRAVEL AND ACCOMMODATION MANAGEMENT

LOGISTICS SECTION	SOURCE DOC	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
TRAVEL AND ACCOMMODATION	Trip Authorization/ Itinerary Form OR SLD	**Logistics Clerk**	**All**	**Financial Delegations. DR&PW SCM Policy. Travel Term Contract. NT Instruction note 34. NT Instruction Note 1 of 2013/2014. DR&PW Subsistence and Travelling (S&T) Policy.**
PROCESS	1. Receive a completed and signed as well as APPROVED, (as per Policy) Itinerary/Trip Authorization form. 2. Send a detailed request to the Travel Agency. 3. Issue an Order (**Before issuing ensure that arranged bookings comply with rates or Limits of NT Instruction Notes and S&T Policy – Do NOT exceed daily limits.** 4. Submit the Order to relevant authority for approval. 5. Update bookings and cost containment Register. 6. Receive invoices from Travel Agencies. 7. Acquire a certifying signature on the invoice. 8. Monthly Reconcile invoice(s) received versus booking register. 9. Capture invoice on LOGIS system, verify the contract rates. 10. Check and verify compliance with NT Practice Notes [seven			

	(7) Days after the trip was taken]. 11. Update your Bookings Register. 12. Compile payment batch using relevant documentation and submit to relevant official for verification of payment. 13. Forward the payment batch to Finance section for authorization.

5.13 LOGISTICS SECTION STAGE 3 (C) – CELL PHONE AND DATA MANAGEMENT

LOGISTICS SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
CELL PHONE (New & Upgrades)	New/Upgrade Application Form. Approval Letter. Acknowledgment of Receipt Form.	**Logistics Admin Officer/Clerk.**	**All.**	**Financial Delegations.** **DR&PW SCM Policy.** **NT Instruction note 34.**
PROCESS	1. Receive a fully completed cell phone/device Application form, signed by Programme Manager, CFO and HOD. 2. Avail a departmentally approved List of cell phone devices to the end User, and explain the cost Limits on devices versus Designations, as well as limits on minutes and data. 3. Write a letter to the Service Provider, stipulating the device requested, that should be approved by the CFO, or delegated official. 4. If the Cost of the device requested Exceeds the departmentally approved limit, the difference will be deducted from the official's Salary or a cash Payment at the departmental cashier's office must be made. 5. Upon receiving the cell phone device, the end User signs the Acknowledgment of Receipt Form. 6. File the Acknowledgment of Receipt Form and Update the cell phone contract data base. 7. *For **Upgrades** begin at step 2 to 6.*			

5.14 LOGISTICS SECTION STAGE 3 (D) – INVOICE AND SUPPLIER PERFORMANCE MANAGEMENT

LOGISTICS SECTION	SOURCE DOCUMENT	RESPONSIBLE OFFICIAL	DELEGATIONS	PLAN AND POLICY
INVOICES (Goods & Services)	Procurement document. Invoices.	**Logistics Clerk.**	**All.**	**Financial Delegations. DR&PW SCM Policy. NT Instruction note 34.**
PROCESS	1. Capture Invoice on LOGIS system. 2. Verify Invoice date, Delivery date, Capturing date. 3. Update the SCM Compliance Check List, Logistics Section (note the Reason for Late payment). 4. Supplier Performance Register must be Completed at this stage. 5. Update payment register. 6. Update Supplier Performance Register. 7. Compile Designated Supplier Awards Statistics. 8. Compile payment Batch using relevant Documentation and submit to relevant official for Verification of payment. 9. Forward payment Batch to Finance Section for further for Authorization.			

NOTE: ***REFERENCES TO BE MADE TO ALL PROCUREMENT REGULATION FRAMEWORKS, IN ORDER TO ENSURE FULL COMPLIANCE.***

the dr&pw

Department:
Roads and Public Works
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

INTERNAL MEMO

DATE:	14 JULY 2025	**REF. NO.**	
TO:	THE DIRECTOR: STRATEGIC PLANNING MANAGEMENT		
FROM:	THE DEPUTY DIRECTOR: POLICY AND RESEARCH MANAGEMENT SERVICES		
SUBJECT:	**SUBMISSION FOR APPROVAL OF THE RE-REVIEWED DEPARTMENTAL SUPPLY CHAIN MANAGEMENT (SCM) POLICY AND STANDARD OPERATING PROCEDURE (SOP) MANUAL, VERSION 7**		

Dear Ms. Bekebeke

Please find attached the final draft of the re-reviewed departmental Supply Chain Management (SCM) Policy and Standard Operating Procedure (SOP) Manual, version 7, for your perusal and consideration. Draft version 6 of this policy was previously submitted for approval by the Head of Department (HOD) on the 06th of June 2025, but referred back to the SCM Directorate by the Chief Director: Corporate and Management Services.

The SCM Directorate then subsequently made certain amendments to the section on Sourcing Strategies. The SCM Directorate, in turn, referred it back to the Policy and Research Management Services Unit for re-finalisation. This policy document has thus again been circulated departmentally for consultation and inputs and it is hereby re-submitted for approval by the Head of Department (HOD).

Regards,

Mr. T. Ferreira
Deputy Director: Policy and Research Management Services

the dr&pw

Department:
Roads and Public Works
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

INTERNAL MEMO

DATE:	14 JULY 2025	**REF. NO.**	
TO:	THE HEAD OF DEPARTMENT (HOD)		
FROM:	THE DIRECTOR: STRATEGIC PLANNING MANAGEMENT		
COPY:	THE CHIEF DIRECTOR: CORPORATE AND MANAGEMENT SERVICES		
SUBJECT:	**SUBMISSION FOR APPROVAL OF THE RE-REVIEWED DEPARTMENTAL SUPPLY CHAIN MANAGEMENT (SCM) POLICY AND STANDARD OPERATING PROCEDURE (SOP) MANUAL, VERSION 7**		

Purpose

1. The purpose of this submission is to obtain approval from the Head of Department (HOD) for the operationalization within the Department of the reviewed departmental Supply Chain Management (SCM) Policy and Standard Operating Procedure (SOP) Manual, version 7.

Recommendations

1. Draft version 6 of the above mentioned policy was previously submitted for approval by the Head of Department (HOD) on the 06th of June 2025, but referred back to the SCM Directorate.

2. The SCM Directorate subsequently made certain amendments to the section on Sourcing Strategies.

3. The above mentioned policy and procedure document has been circulated departmentally by the Communication and Marketing Unit to consult the staff members in order to provide opportunities for inputs toward the review of the said policy and procedure.

4. It is therefore recommended that the HOD approve this policy and procedure as departmental policy

5. Please see e-mail attached for the Evidence of Departmental Consultation.

MS. B BEKEBEKE
DIRECTOR: STRATEGIC PLANNING MANAGEMENT
Recommended / ~~Not Recommended~~

23/07/2025
DATE

MS. A. MPOTSANG
CHIEF DIRECTOR: CORPORATE AND MANAGEMENT SERVICES
Recommended / ~~Not Recommended~~

2025-07-23
DATE

DR. J. MAC KAY
HEAD OF DEPARTMENT
Policy Approved / ~~Policy Not Approved~~

24.07.2025
DATE

the dr&pw

Department:
Roads and Public Works
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

EVIDENCE OF CONSULTATION WITH DEPARTMENTAL STAKEHOLDERS

REVIEWED DEPARTMENTAL SUPPLY CHAIN MANAGEMENT (SCM) POLICY AND STANDARD OPERATING PROCEDURE (SOP) MANUAL, VERSION 7

SUBMISSION FOR APPROVAL
14 JULY 2025

TFerreira - POLICY REVIEW CONSULTATION: SCM POLICY, VERSION 7 - JULY 2025

From: DRPW-Info

To: ABrand; ACLouw; AFembers; AKula; ALesotho; ALSishi; alycat.miller7@gmail.com; amaina@vodamail.co.za; AMasisi; ambrosebeukes@gmail.com; AMegalanyane; AMiller; AMkhize; AMotlagodisa; AMpotsang; ampotsang79@gmail.com; andre.jooste17@gmail.com; AnthonyL; AOosthuizen; AOosthuizen@gmail.com; arpinm7@gmail.com; ARudman; ASwanepoel; BaatileItumeleng; baatileitumeleng788@gmail.com; Babalwa Bekebeke; BBanda; BBobeje; BChotelo; BDamon; Bettymabili@gmail.com; BGaonakala; BKapanda; BMaclean; BMazwi; BMeruti; BMontshiwa; bobbybobeje@gmail.com; BonoloMakoko; BosmanP; BSedisho; BSemau; bslingers@vodamail.co.za; c28robertson@gmail.com; CAbrahams; CAdams; CAppels; CBailey; cbailey@vodamail.co.za; CChakela; CDenysschen; CFourie; ChanelFourie; ChantelleCloete; charlssoyiswaphi@gmail.com; CharmaineLouw30@gmail.com; ChristinaF; CKakora; clementinerifles@gmail.com; CMrwebi; CNdebele; CNotuku; CRabaji; cshupping12@gmail.com; CValentine; DBingwa; DBingwane; denicebingwane460@gmail.com; DGaehete; dichabales@gmail.com; DKowa; DMaqutyana; DMokoena; DMwembo; DPhirisi; drpwesimon@gmail.com; DRPW-Info; DSolo; dtsoai.drpw.nc@gmail.com; DvdMerwe; EbenSwartbooi; EBeukes; EBreytenbach; EJonkers; EKhatwane; ELecwedi; elsie.dupels@gmail.com; EMichaels; emodise@vodamail.co.za; ENodoba; EricksenA; esmereldabaepi@gmail.com; esterhuysek133@gmail.com; euricanodoba04@gmail.com; faithpmoabi631@gmail.com; FdeBruin; FDooling; feliciadebruin2@gmail.com; FMogoje; FPetoro; FvanVuuren; ghansnkukane@gmail.com; GJacobs; GKeyser@vodamail.co.za; GMoabi; GMolale; gobiditseonerobertmosang@gmail.com; GOliver; GPampoen; GPietersen; GSalimana; GSefotlho; GTopkin; gvmhlauli@gmail.com; HenerydeWee@gmail.com; hermie@hantam.co.za; howardtsume1@gmail.com; howardvanstaden@gmail.com; HPuley; HvanStaden; ICarolus; IFredericks; ILottering; IMolore; ingridvanschalkwyk34@gmail.com; inocentia.senza@gmail.com; IOliphant(...)

Date: 7/1/2025 8:31 AM

Subject: POLICY REVIEW CONSULTATION: SCM POLICY, VERSION 7 - JULY 2025

Attachments: JULY 2025 - FINAL RE-REVIEWED DR&PW SCM Policy & SOP Manual - VERSION 7.docx

Good day Colleagues,

Please find attached the latest draft of the re-reviewed DR&PW SCM Policy and SOP Manual, version 7.
The SCM Directorate made certain amendments to the section on Sourcing Strategies (section 9).

The due date for inputs/comments is Thursday, 10 July 2025 and can be e-mailed to tferreira@ncpg.gov.za

Thank you

DRPW-info@ncpg.gov.za
COMMUNICATION AND MARKETING SERVICES

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Trendsetters in infrastructure delivery to change the economic landscape of the province'