

**DEPARTMENT OF ROADS AND PUBLIC WORKS /
NORTHERN CAPE FLEET MANAGEMENT TRADING ENTITY**



PROCUREMENT DOCUMENT

FOR

**PROVISIONING OF AUCTIONEERING SERVICES FOR DEPARTMENT ROADS AND PUBLIC
WORKS /NC FLEET MANAGEMENT TRADING ENTITY FOR A PERIOD OF THREE YEARS**

ENVELOP ONE: TECHNICAL ASSESMENT

DRPW 012/2021

Issued by:

Northern Cape Department Roads and Public Works
9-11 Stokroos Street
Square Hill Park
Kimberley
8301

Prepared by

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CONTENTS

PROVISIONING OF AUCTIONEERING SERVICES FOR DEPARTMENT ROADS AND PUBLIC WORKS /NC FLEET MANAGEMENT TRADING ENTITIY FOR A PERIOD OF THREE YEARS..... 0

ENVELOP ONE: TECHNICAL ASSESMENT..... 0

INVITATION TO BID..... 2

CONDITIONS OF TENDER/ SPECIAL CONDITIONS.....4

SCOPE OF WORK:TO PROVIDE AUCTIONEERING SERVICES ON BEHALF OF NCFMTE MANAGEMENT FOR A PERIOD OF THREE (03) YEARS..... 4

PROSPECTIVE BIDDERS ARE REQUIRED TO PREPARE A PRESENTATION AND A PROPOSAL IN CO-OPERATING THE FOLLOWING HEADINGS: THIS SHOULD BE READ TOGETHER WITH THE FUNCTIONALITY CRITERIA.....6

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DRPW /NCFMTE)					
BID NUMBER:	DRPW 012/2021	CLOSING DATE:	06/08/2021	CLOSING TIME:	11H00am
DESCRIPTION	PROVISIONING OF AUCTIONEERING SERVICES FOR DRPW /NCFMTE FOR A PERIOD OF THREE YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
DEPARTMENT OF ROADS AND PUBLIC WORKS, 9/11 STOKROOS STREET, TEBOGO LEON TUME COMPLEX					
SQUAREHILL PARK					
KIMBERLEY, 8301					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes
		<input type="checkbox"/> No			<input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
		<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
		<input type="checkbox"/>	A REGISTERED AUDITOR		
		NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED PRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	
		[IF YES ENCLOSE PROOF]		<input type="checkbox"/> Yes <input type="checkbox"/> No	
				[IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER			DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE (ALL INCLUSIVE)		Rates
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/ PUBLIC ENTITY			CONTACT PERSON		
CONTACT PERSON			TELEPHONE NUMBER		
TELEPHONE NUMBER			FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS		
E-MAIL ADDRESS					

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

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

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

CONDITIONS OF TENDER/ SPECIAL CONDITIONS

PROVISION OF AUCTIONEERING SERVICES TO NCFMTE MANAGEMENT FOR A PERIOD OF THREE (03) YEARS.

SCOPE OF WORK: TO PROVIDE AUCTIONEERING SERVICES ON BEHALF OF NCFMTE MANAGEMENT FOR A PERIOD OF THREE (03) YEARS.

1. The Auctioneer must:
 - 1.1. Have capacity to implement systems and processes to record and verify the condition of the vehicles on receipt and on disposal; including detailed steps taken to maintain an audit trail of all vehicle transactions, vehicle movements and vehicle locations.
 - 1.2. Provide Personnel profiles with the technical expertise in respect of auctions, relevant skills and qualifications.
 - 1.3. Supply own catalogue for registered buyer on the day of the auction.
 - 1.4. Sign a three (03) year contract with the entity.
 - 1.5. Take note that the frequency of auction is estimated at 4 per annum and will be based on availability of goods/assets to be auctioned
 - 1.6. Take note that the quantities to be auctioned will range around 700 goods/assets per annum. (numbers not guaranteed)
 - 1.7. Request a registration deposit per vehicle. If final payment is not received from the successful bidder then a registration deposit on a vehicle shall be forfeited.
 - 1.8. Off set the registration deposit against remaining balance for the successful bids in the event that the bidder was not successful in all intended bids.
 - 1.9. Refund the bidder full registration deposit in the event that the bidder was not successful in the intended bids.
 - 1.10. Demonstrate ownership of an operational auctioneering administration system capable to register buyers, process sales and print reports live at the auction site.
 - 1.11. Comply with Section 45 (1-6) of the Consumer Protection Act, No 68 of 2008, Gazetted Regulations, Rules of Auction and all Auctioneer Administrative Requirements.
 - 1.12. Submit a quote (tender price) on the basis as outlined below:
 - 1.12.1. Percentage Buyer and Sellers commission
 - 1.12.2. Storage fees clearly stipulating per day and per asset rates (if applicable).
 - 1.12.3. Percentage commission and storage fees tendered must be firm and fixed for the contract period.
 - 1.12.4. VAT, Administration Fees and Travel Allowance must be incorporated in the tender price.
 - 1.13. Not accept cash on site for any reason.
 - 1.14. Advertise auction according to NCFMTE Management prescripts 2 weeks in advance in National and Local newspapers not exceed R60 000.00 per auction. NCFMTE Management shall refund advertising costs upon the submission of the tax invoices as issued by the advertising company used and inclusive of all discounts given.
 - 1.15. Take note that items will consist of vehicles, machinery and general commodities (e.g. Road Construction Equipment, Heavy and Light Vehicles, Office Furniture, Office Equipment etc.). Items to be sold "Voetstoots" / "As Is"
 - 1.16. Take note that they/it will be subjected to Security Screening for shortlisting purposes as required by the Minimum Information Security Standards and the National Strategic Intelligence Act 39 of 1994.

- 1.17. Take note that/it will be required to undergo a Security Vetting process before appointment as required by the Minimum Information Security Standards and the National Strategic Intelligence Act 39 of 1994
- 1.18. Provide high quality pictures to be taken (3D view including inside each good/asset) to enhance the auction catalogue, accounts for goods/assets condition.
- 1.19. Provide proof of registration with Auctioneering Association.
- 1.20. Subcontracting of the services not allowed.
- 1.21. On collection day, the number of buyers collecting assets will be strictly regulated.
- 1.22. Make provision for online auctions (Provide a presentation to NCFMTE on the benefits and challenges regarding online auctions as part of the Evaluation Criteria when shortlisted).
- 1.23. Carry out auctions in various Districts in the Northern Cape Province as and when required by NCFMTE Management.
- 1.24. Deal with any disputes arising from the auction as per the Consumer Protection Act, No 68 of 2008, Gazetted Regulations, Rules of Auction and all Auctioneer Administrative Requirements.
- 1.25. Ensure that all fully paid assets are collected from Auction premises within five (5) working days after the auction.
- 1.26. Charge R200.00 a day on assets not collected within 5 days of purchase.
- 1.27. Attend pre and post auction briefing meetings.
- 1.28. Prepare and submit close out report ten (10) working days after each auction.
- 1.29. Be easily identified (Uniform) and visible on the day of the auction.
- 1.30. The service provider will also be responsible to render auctioneering services for immovable assets e.g (land and property).

**DEPARTMENT ROADS AND PUBLIC WORKS /NORTHERN CAPE FLEET MANAGEMENT
TRADING ENTITY**
**TERMS OF REFERENCE FOR THE RENDERING OF PROFESSIONAL AUCTIONEERING
SERVICES FOR THE PERIOD OF THREE YEARS**

BACKGROUND

The Department Roads and Public Works is in a process of appointing a service provider that will have to, professionally, manage and provide auctioneering services for the period of three years as and when required. The PFMA Section 76(1)(k) and Treasury regulations states "10.2.1. The disposal of movable assets must be at market related values or by tender or by auction, whichever is most advantageous to the state, unless otherwise determined by relevant treasury." Also continue to state that "Any sale of immovable state property must be at market-related value, unless the relevant treasury approves otherwise.

PURPOSE

The purpose of these specifications is to appoint a professional auctioneer that will provide the Department Roads and Public Works with reliable, cost effective, safe and an advanced auctioneering service.

SCOPE OF WORK/SPECIFICATION

Prospective bidders are required to prepare a presentation and a proposal incorporating the following headings: This should be read together with the functionality criteria

1. **COMPANY BACKGROUND AND EXPERIENCE**

The company is expected to submit a proposal providing the background, history and relevant experience, key personnel, curriculum vitae, qualification certificates, previous experience, action plan and project amount and auctioneering work done successfully.

2. **PROFESSIONAL SERVICES AND INDUSTRY AFFILIATION**

As part of returnable for evaluation purpose bidders are requested also to provide with their proposal, their industry affiliation, and outline the importance of registration and affiliation of such authority/organization/associations.

3. **LOGISTICS AND CAPACITY- TECHNICAL ABILITY**

3.1 **Facilities**

Safeguarding of assets in government department's is a priority, therefore it will be required from the service provider, to outline how the bidder is going to safeguard state assets which are in the process of being disposed through auction. It is important that the preferred service provider provide proper details of safeguarding of state assets, refer to Functionality Criteria

3.2 **Security and Insurances**

Bidder is expected to outline the security capacity of the business, including security of the assets and insurance from the hand over date to final collection by the buyers.

NB: Refer to the Functionality Criteria.

3.3. **Additional to the Logistics Packages**

The bidders will outline their company strategies with regard to the following additional

- Value Added Services
- Live Auction System
- Buyer Register
- Clerking
- Stock/Assets
- Seller settlement

NB: Refer to the Functionality Criteria

4. Online Auction System

The bidders is expected to provide full details, system description, operational cost, training and ownership and after sale services. If possible demonstration of the system may be provided.

NB: Refer to the Functionality Criteria

5. Auction Types and Methods (Project Plan and Process Flow)

It is expected that the department be provided with different options or packages of types and method of auctions. Therefore the prospective bidders are encouraged to prepare options that the department may select as their method to be used for auction. All methods should be costed in order for the department to accurately budget for the utilization of method or type chosen.

6. MARKETING STRATEGIES

The department's procurement system encourages five essential elements of supply chain management, of which value for money and transparency is key. The bidders will be required to prepare different marketing strategies to be considered and the cost.

7. PRICING AND COMMISSION

The pricing and commission for the service to be provided for the entire period of three years, should not form part of the bidder's proposal and presentation.

Second envelope should be prepared that will include the bidder's price and commission as it will be evaluated separately from the entire proposal.

8. EVALUATION

The bid will be evaluated in terms of Preferential Procurement Policy Framework Act Of 2000, Regulation 2017. Functionality method will be applicable for the evaluation of proposal, that is, the bidders need to achieve **60% and above to be considered for 80/20 preferential point system, if not met, bid will not be considered for evaluation.**

NB: All Bidders that scored 60% and above will be requested to make themselves available for presentation interview as part of evaluation process.

9. EVALUATION CRITERIA

- The bid will be evaluated and adjudicated in terms of the preferential procurement Policy Framework Act. 80/20 Preferential Point System
Price = 80 points
BBB-EE contribution status of contribution = 20
- The original TAX clearance (Tender) Certificate as indicated in the Standard Bid Document NCP2 must be submitted at the time and closing of the Bid
- The Service Provider must be properly affiliated with an auctioneering body
- The Service Provider must also be a registered Valuers and submit a proof

- Submit proof comprehensive company profile for security screening and vetting purposes.
- Preferred Bidders will enter into Service level Agreement with the Department Roads and Public Works /Northern Cape Fleet Management Trading Entity.
- Bidders are subjected to security Clearance by NIA

The following will apply as the technical evaluation criteria. NB: Functionality method/ Criteria will be applicable for the evaluation of proposal, that is, the bidder need to achieve **60% and above to be considered for 80/20 preferential point system, and if not met, bid will not be considered for evaluation.**

FUNCTIONALITY CRITERIA

COMPANY PROFILE, QUALIFICATION AND CONTACTABLE REFERENCES (50 POINTS)	TECHNICAL ABILITY OF THE BIDDER (40 POINTS)	BANK RATING (10 POINTS)
<p>Company Profile(30)</p> <p><u>I. Company (Number of years in auctioneering industry)(5 points)</u></p> <ul style="list-style-type: none"> • From 0 - 1 year = 0 points • From 2 - 3 years = 1 points • From 4 - 7 years = 2 points • From 8 -10 years= 3 points • From 11 and above = 5 points <p><u>II. Key Personnel (25 points)</u></p> <ul style="list-style-type: none"> • Experience Transaction Manager: (10 points) CVs = 4 points Qualification Certificates in the field of Auctioneering = 6 points • Management: (5 points) CVs = 5 points • Auctioneer (5 points) CVs = 2 points Qualification Certificates in the field of Auctioneering = 3 points • Auction Assistants (Office Staff): (5 points) CVs = 5 points <p><u>III. Contactable References on Client Letterhead reflecting positive performance and turnaround times (10 points)</u></p> <ul style="list-style-type: none"> • 0 references = 0 point • 1 to 2 references = 1 point • 3 to 5 references = 3 points • 6 to 9 references = 7 points • 10 and above = 10 points <p><u>IV. Value of the past auction projects (10 points)</u></p> <ul style="list-style-type: none"> • Less than R5 million = 0 point • R5 million to R10 million = 3 points • R11 million to R20 million = 5 points • R21 million and above = 10 points <p>Attach proof of the required documents. Failure to submit the required documents will result in the bidder getting zero points.</p>	<p>Technical Ability (40)</p> <p><u>Project Plan and Process Flow (19 points)</u></p> <p>I. Detailed steps of auctioneering process =6 points II. Marketing capabilities = 5 points III. Value added services = 4 points VI. Regional or Provincial footprints = 4 points</p> <p><u>Presentation(12 points)</u></p> <p>I. Online auction = 6 points II. Live auction = 6 points</p> <p><u>Auctioneering Premises (9 points)</u></p> <p>II. Proof of Security and Insurance: (9 points)</p> <ul style="list-style-type: none"> • Security of premises = 2 points • Insurance for the premises = 2 points • Proof of both security and Insurance = 5 points <p>Attach proof / supporting documents of the above. Failure to submit required documents will result in the bidder getting zero points.</p>	<p>Bank Rating (10)</p> <p><u>Submit proof of bank rating from the relevant bank.</u></p> <ul style="list-style-type: none"> • Rating A & B = 10 points • Rating C & D = 5 points • Rating E & F = 2 points • Rating G upward = 0 point <p>Attach proof / supporting documents of the above. Failure to submit proof of bank rating from the relevant bank will result in the bidder getting zero points.</p>

Functionality will be scored out of 100 points and the minimum threshold to qualify is 60 points. Bidders who fail to meet the minimum threshold will not be considered for further evaluation.

Calculate the points of functionality according to the following formula:

$$P_s = \frac{S_o}{M_s} \times A_p$$

Where

P_s = percentage scored for functionality by bid/proposal under consideration

S_o = Total score of bid/ proposal under consideration

M_s = maximum possible Score **NB: In this bid, it is 100**

A_p = Percentage allocated for functionality

End of document.