
STANDARDIZED CONSTRUCTION PROCUREMENT DOCUMENTS FOR PROFESSIONAL SERVICES

(October 2005)

Note to users

This document has been issued to enable users to become familiar with the manner in which procurement documents are to be compiled in accordance with the provisions of the CIDB Standard for Uniformity in Construction Procurement (September 2005) as amended in Board Notice 68 of 2005 in Government Gazette 27831 of 22 July 2005 and Board Notice 99 of 2005 in Government Gazette 28127 of 14 October.

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Notes on the use of the Standardized Procurement Documents for Professional Services

1 Background

The Standard for Uniformity in Construction Procurement (the Standard) is published in terms of sections 4(f), 5(3)(c) and 5(4)(b) of the Construction Industry Development Board Act, 2000 (Act no. 38 of 2000).

Regulation 16A6.3(a)(ii) of the Treasury Regulations for departments, trading entities, constitutional institutions and public entities issued in terms of the Public Finance Management Act (Act no. 1 of 1999) requires accounting officers or accounting authorities *to ensure that bid documentation and the general conditions of a contract are in accordance with the prescripts of the Construction Industry Development Board, in the case of a bid relating to the construction industry.*

Regulation 21(a)(ii) of the Municipal Supply Chain Management Regulations issued in terms of the Local Government: Municipal Finance Management Act (Act no 56 of 2003) states that *a supply chain policy must determine the criteria to which bid documentation for competitive bidding process must comply, and state that in addition to regulation 13 the bid documentation must take into account the requirements of the Construction Industry Development Board in the case of a bid relating to construction, upgrading or refurbishment of buildings of infrastructure.*

Uniformity in construction procurement documentation, procedures and practices is essential to improved industry performance and improved value to clients. It engenders a culture of consistency and predictability within the procurement process.

This standardized set of procurement documents enables those responsible for drafting procurement documents to readily develop tender and contract documents that satisfy the Standard's requirements in respect of professional services. This document also provides guidance on the content of each of the component documents making up a tender or contract document. It does not provide guidance on how each of the component documents is to be applied as such guidance is provided in the *User Guide for the Standard for Uniformity in Construction Procurement*

2 Requirements for formatting and compiling procurement documents

2.1 Background

Procurement documents are required primarily to

- a) solicit tender offers; and
- b) form the basis for a contract.

Figure 1 illustrates the concept of offer and acceptance that results in a contract being entered into. Procurement documents provide tenderers with the necessary inputs to allow them to compile their tender submissions. Their tender submissions are in turn inputs into the contract that may be concluded following the acceptance of their tender offer.

Uniformity in procurement documentation is based on a principle proposed in the Green Paper on Public Sector Procurement Reform in South Africa (1997) namely that there be a complete separation in the component documents that make up a procurement document i.e. the conditions of tender, the conditions of contract, the specifications and methods of measurement and payment. Should this be done, different conditions of contract, or for that matter, payment systems can be used without affecting the remaining component documents.

The requirements for procurement documents contained in the Standard for Uniformity are based on the aforementioned green paper principle and a number of documents that have been developed and extensively reviewed within the South African construction Industry, namely:

- *Recommendations on Refinements in Public Sector Procurement Policy, Practices and Procedures in the Construction Sector* as endorsed by the Interministerial Task Team for Construction Industry Development (2000);
- SANS 10403: 2003, *Formatting and compiling of construction procurement documents*;
- SANS 294: 2004, *Construction procurement processes, methods and systems*; and
- Construction Procurement Best Practices recognized by the Construction Industry Development Board (2004).

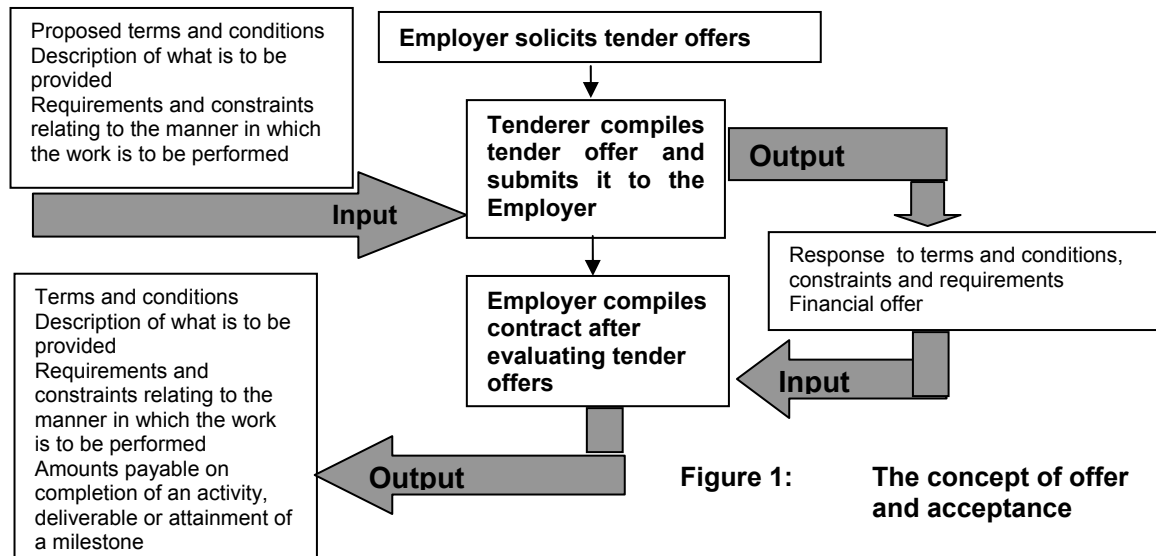


Figure 1: The concept of offer and acceptance

2.2 Headings and content of component documents

The Standard for Uniformity in Construction Procurement provides a series of standard headings of component documents based on the “offer” and “acceptance” process illustrated in Figure 1. Procurement documents comprise several component documents dealing with different topics bound together in a logical sequence. The first cluster of documents contains only those documents that are relevant to the tender enquiry (see Table 1) and the second cluster those documents that relate to the contract that will be created upon the acceptance of the tender (see Table 2).

Table 1: Documents that relate to the “Tender” (See SANS 10403)

Contents		Function and broad outline of contents
Number	Heading	
Part T1: Tendering procedures		
T1.1	Tender Notice and Invitation to Tender	Alerts tenderers to the nature of the supplies, services and engineering and construction works required by the employer and should contain sufficient information to enable them to respond appropriately.
T1.2	Tender Data	States what the applicable conditions of tender are and where they may be found. Tender Data also provides the variables for standardised conditions of tender.
Part T2: Returnable documents		
T2.1	List of Returnable Documents	Ensures that everything the employer requires a tenderer to submit with his tender is included in, or returned with, his tender submission.
T2.2	Returnable Schedules	Contains documents that the tenderer is required to complete for the purpose of evaluating tenders and other schedules which upon acceptance become part of the subsequent contract.

The Standard requires that the headings contained in Tables 1 and 2 be used with procurement documents (tender and contract) relating to the provision of engineering and construction works, services and supplies. The headings must not be changed to suit personal preferences e.g. scope of work being changed to “terms of reference” or “specification”. Likewise the documents or parts must not be renumbered. This defeats the objective of having a uniform set of headings.

Table 2: Documents that relate to the “Contract” (See SANS 10403)

Contents		Broad outline of contents
Number	Heading	
Part C1: Agreements and contract data		
C1.1	Form of Offer and Acceptance	Formalises the legal process of offer and acceptance
C1.2	Contract Data	States the applicable conditions of contract and associated contract specific data that collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.
Part C2: Pricing data		
C2.1	Pricing Instructions	Provides the criteria and assumptions which it will be assumed (in the contract) that the tenderer has taken into account when developing his prices, or target in the case of target and cost reimbursable contracts.
C2.2	Activity Schedule / Bills of Quantities	Records the contractor's prices for providing supplies / services / engineering and construction works which are described elsewhere in a specification within the Scope of Work section of the contract.
Part C3: Scope of Work		
C3	Scope of Work	Specifies and describes the supplies, services, or engineering and construction works which are to be provided and any other requirements and constraints relating to the manner in which the contract work is to be performed
Part C4: Site information (engineering and construction works contracts only)		
C4	Site Information	Describes the site as at the time of tender to enable the tenderer to price his tender and to decide upon his method of working and programming and risks.

The requirements of the Standard for Uniformity in Construction Procurement are based on SANS 10403, *Formatting and compilation of construction procurement documents*, which establishes at both prime and subcontract level:

- a) a uniform format for the compilation of procurement documents for supplies, services and engineering and construction works contracts; and
- b) the general principles for compiling procurement documents in respect of supplies, services and engineering and construction works.

Guidance is provided in SANS 10403 as to what the content of each component should be.

Users of this system who are familiar with the standardised procurement documents of an organization will only need to read the project specific sections for any specific project in order to know what the organisation requires. On the other hand, users who are not familiar with an organisation’s standardised documents can quickly locate information that they may require should they have a working knowledge of the framework for the formatting and compilation of procurement documents provided in SANS 10403.

2.3 Compiling procurement documents

The standard for uniformity provides two options for compiling and issuing procurement documents, namely the “three volume approach” and the “single volume approach.”

In the “three volume” approach, the component documents are compiled in three volumes (divisions) in accordance with the provisions of Table 3. Volume 1 comprises the Tendering Procedures (Part 1 of the Tender), Volume 2 comprising the Returnable Documents (Part 2 of the Tender and documents C1.1 and C1.2 of Part 1 of the Contract and documents C2.1 and C2.2 of Part 2 of the Contract, if relevant, i.e. all the documents in which the tenderer is required to provide data to complete his tender) and Volume 3 which

contains the draft contract (i.e. all components of the Contract which are not included in Volume 2). Tenderers will complete and return Volume 2 as their tender submission. Organisations will compile the contract (see Table 2) from the tender submission (Volume 2). In this manner, the final contract will contain all the provisions agreed to by the parties during the tender process and will not include redundant information relating to the process that led to the formation and signing of the contract. (See Figure 2).

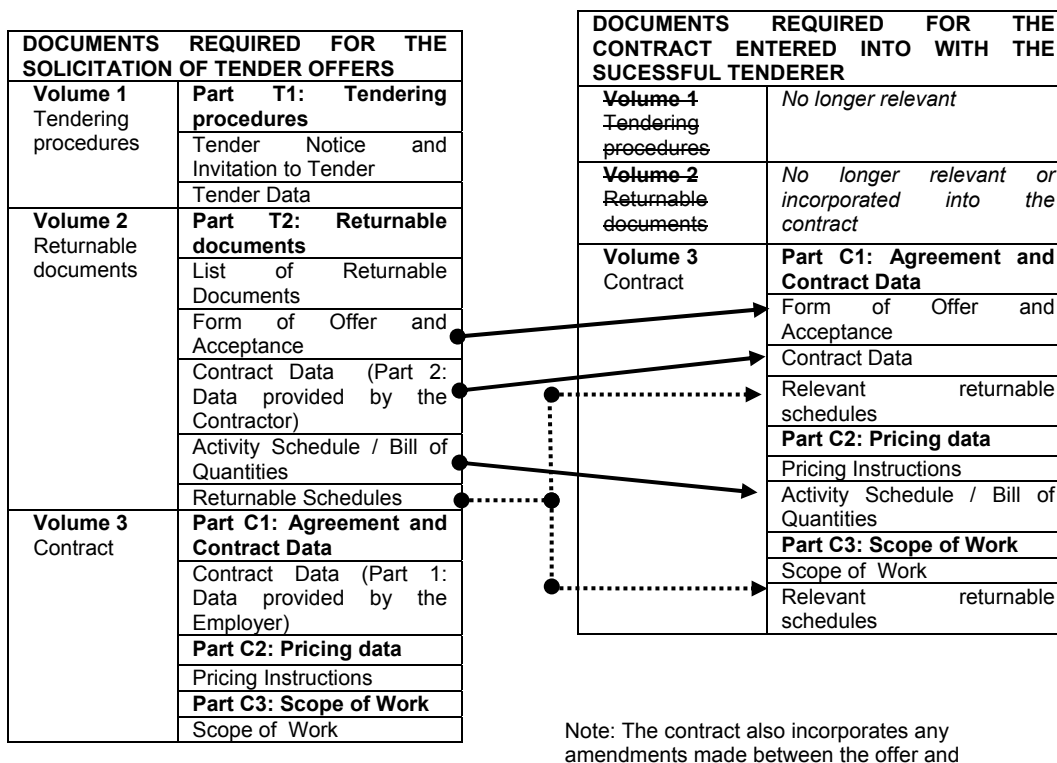


Figure 2: The relationship between the standard headings and the concept of “offer” and “acceptance”

Table 3: Standard headings and sequencing of documents when soliciting tenders where a three volume approach is adopted

Volume	Contents	
	Number	Heading
Volume 1	Part T1: Tendering procedures	
	T1.1	Tender Notice and Invitation to Tender
	T1.2	Tender Data
Volume 2	Part T2: Returnable documents	
	T2.1	List of Returnable Documents
	C1.1	Form of Offer and Acceptance
	C1.2	Contract Data (Part 2: Data Provided By The Contractor)
	C2.2	Activity Schedule or Bill of Quantities
	T2.2	Returnable Schedules
Volume 3	Part C1: Agreement and Contract Data	
	C1.2	Contract Data (Part 1: Data provided by the employer)
	Part C2: Pricing data	
	C2.1	Pricing Instructions
	Part C3: Scope of Work	
	C3	Scope of Work

In the single volume approach the documents listed in Table 1 are headed “Tender” and those in Table 2, “Contract” (See Table 4). The List of Returnable Documents identifies which of the documents a tenderer must complete when submitting a tender offer. The tenderer submits his tender offer by completing those forms, signing the "Offer" document in the Forms of Offer and Acceptance and delivering the single volume back to the employer bound up as it was when it was received. If the tender offer is accepted, the employer simply records all the agreed changes in the procurement document between offer and acceptance in the schedule of deviations attached to the Form of Offer and Acceptance and signs the ‘Acceptance’ document in the Forms of Offer and Acceptance and a Contract is formed i.e., the tender document becomes the contract document.

Table 4: Standard headings and sequencing of documents when soliciting tenders where a single volume approach is adopted

Contents	
Number	Heading
The Tender	
Part T1: Tendering procedures	
T1.1	Tender Notice and Invitation to Tender
T1.2	Tender Data
Part T2: Returnable documents	
T2.1	List of Returnable Documents
T2.2	Returnable Schedules
The Contract	
Part C1: Agreement and Contract Data	
C1.1	Form of Offer and Acceptance
C1.2	Contract Data
Part C2: Pricing data	
C2.1	Pricing Instructions
C2.2	Activity Schedule or Bills of Quantities
Part C3: Scope of Work	
C3	Scope of Work
Part C4: Site information	
C4	Site Information

A contract arising from the Negotiated Procedure (i.e. in the case of an emergency) must be formatted and compiled under the headings contained in Table 2.

2.4 Colour coding component documents

The Standard for Uniformity in Construction Procurement has no requirement for colour coding component documents. It is, nevertheless, recommended that any colour identification of component documents be undertaken in accordance with the provisions of SANS 10403 as this standard is recognized by the CIDB as best practice.

SANS 10403 suggests that for ease of identification of the various sections, each section may be printed on different coloured paper or be separated with coloured paper. Where this is done, the colours for each subcomponent should be as indicated in Table 5. It should be noted that all documents in Volume 2 of the relevant documents are coloured yellow.

3 Terminology used in the Standard for Uniformity in Construction Procurement

3.1 “Bid” versus “tender”

The CIDB has adopted the terms “tender” and “tenderer” in preference to “bid” and “bidder”. The rationale for this is as follows:

Table 5: Colours used to distinguish component documents

Colour of pages	Document	
	Number	Heading
White	T1.1	Tender Notice and Invitation to Tender
Pink	T1.2	Tender Data
Yellow	T2.1	List of Returnable Documents
Yellow	T2.2	Returnable Schedules
Yellow	C1.1	Form of Offer and Acceptance
Yellow	C1.2	Contract Data
White	C1.3	Forms of Securities
White	C1.4	Forms for Adjudicators Appointment
Yellow	C2.1	Pricing Instructions
Yellow	C2.2	Activity Schedule / Bill of Quantities
Blue	C3	Scope of Work

1. Accepted English usage:

The New Shorter Oxford Dictionary contains the following definitions:

Bidder: A person who bids, especially at an auction or at cards.

Bid: The offer of a price, especially at an auction; an offer made at a stated price, a tender.

Tender: A formal offer made by one party to another; specifically an offer of money etc. made to discharge a debt or liability.
An offer of anything for acceptance.

A written offer made by one party to another to supply goods or carry out work at a set price or rate.

Tenderer: A person who tenders or makes a formal offer, especially for a proposed contract

2. Common international usage of procurement terms:

The World Bank is the only major international organization that uses the terms “bid” and “bidder” in a procurement context. (See Table 6).

Table 6: International usage of the terms “bid” and “tender”

Organization	Publication	Terms used
United Nations Commission on International Trade Law	Model law on procurement of goods, construction and services (1994)	<i>“Bidding to do Government work” used once only. The terms bid and bidder are not encountered. Tender and tendering used throughout the document</i>
World Trade Organisation	Agreement on Government Procurement	<i>The terms “bid, bidder or bidding” is not found in the agreement whatsoever. The terms tender, tenderer and tendering found throughout the document.</i>
European Union	COUNCIL DIRECTIVE 93/36/EEC (Rules for Supplies)	<i>The terms “tender, tenderer and tendering” are found throughout the document. The term “bidder” is found once in the document. The terms “bid and bidding” is not encountered.</i>
	DIRECTIVE 2004/18/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 31 March 2004	<i>“Tender and tenderer” is used throughout the document. The term “bid and bidder” is only used in the context of electronic auctions.</i>
Federation Internationale des Ingenieurs-Conseils (FIDIC)	Conditions of contract for construction for building and engineering works designed by the employer.	<i>The term “tender” is used.</i>

3. The traditional usage of terms in the South African construction industry

The term “tender” has historically been used in industry standard documents published by both the public and private sector. The national standards for construction procurement published by Standards South Africa uses the term “tender”. The term “bid” is not encountered.

4. Consistency

The term “bid” does not sit comfortably with non-competitive selection procedures such as the negotiation procedure.

Most national laws governing procurement use the term “tender”. The Municipal Finance Management Act (Act 56 of 2003) and the Prevention and Combating of Corrupt Activities Act (Act 12 of 2004), however, use both these “bid” and “tender”. The Municipal Finance Management uses both terms even in the same sentence. The Prevention and Combating of Corrupt Activities Act uses the term “bid” in relation to auctions and “tender” in relation to the process that results in a contract or an agreement being made. This Act also makes reference to a Register of Tender Defaulters.

National Treasury have standardized on the term “bid” in the Supply Chain Management Practice Notes. Although, the Regulations for the Framework for Supply Chain Management issued in terms of Public Finance Management Act generally makes reference to the term “bid”, it still refers to a “tender process” and the “Government Tender Bulletin.”

When compiling construction procurement documents in accordance with the Standard, the term tender must be used throughout the documents. Organisations must refrain from changing terms such as “Tender Data” to “Bid Data” as this will necessitate the retyping of the Standard Conditions of Tender and result in inconsistencies in documents. This defeats the objective of having a uniform procurement documents.

3.2 “Quality” versus “functionality”

The Standard for Uniformity in Construction Procurement defines quality as:

“the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs”

This definition is consistent with that used by the International Standards Organisation and Standards South Africa. The Standard uses the term “quality” in a wide context and not just in a tender evaluation context.

The World Bank for the Selection and Employment of Consultants and the European Union Directives (2004) make reference to the evaluation of tenders on the basis of quality. The Regulations issued in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) use the term “functionality” and not “quality” in the evaluation of tender offers. This term is not defined and is not encountered in any of the international literature.

In procurement documents compiled in accordance with the Standard, the term “functionality” must not be substituted for “quality” in procurement documents to describe processes surrounding the evaluation of tenders as this defeats the objective of having a uniform procurement documents.

4 Best practice guidelines

Further guidance on various aspects relating to the procurement of professional services may be found in the following best practice guidelines:

1 Best practice guidelines published by the Construction Industry Development Board

1.1 CIDB Best Practice Guideline C1: Preparing Procurement Documents

This practice guide identifies the various types of procurement documents and provides a uniform format for the drafting and compilation of these documents. It also establishes a practical approach to uniformity and standardization of procurement documents within an organization and makes recommendations regarding the forms of contracts which should be used. It also contains a number of proforma component documents to facilitate a uniform approach.

1.2 CIDB Best Practice Guideline C3: Adjudication

This practice guide provides an overview of what adjudication is, presents the principles underpinning adjudication, reviews the provisions for adjudication in standard forms of contract (NEC, FIDIC and CIDB), outlines an approach for the selection and use of adjudicators, and provides sample clauses and proforma agreements to be included in procurement documents.

1.3 CIDB Best Practice Guideline A7: The procurement of professional services

This practice guide provides an overview of government's policy regarding the appointment of consultants and the provisions made in the CIDB Standard for Uniformity for the procuring of professional services. It outlines procedures in respect of each of the methods contained in this standard and guidance on the compilation of procurement documentation associated with professional service contracts. It also establishes the relationship between the methodology advocated by the standard and that promoted by National Treasury in their Supply Chain Management Practice Notes.

2 Standards published by Standards South Africa

2.1 SANS 294, Construction procurement processes, methods and procedures

This standard provides processes, methods and procedures for the establishment within an organization of a procurement system that is fair, equitable, transparent, competitive and cost effective. It:

- a) describes generic procurement processes around which an organization may develop its procurement system;
- b) establishes minimum requirements for the conduct of an organization's employees, agents, board members and office bearers when engaging in procurement;
- c) establishes the framework for the development of an organization's procurement policy including any preferential procurement policy;
- d) establishes generic methods and procedures for procurements including those pertaining to disposals; and
- e) provides standard conditions of tender and conditions for the calling for expressions of interest.

2.2 SANS 10403, Formatting and Compilation of Construction Procurement Documents

This standard establishes at both prime and subcontract level:

- a) a uniform format for the compilation of procurement documents for supplies, services and engineering and construction works contracts; and
- b) the general principles for compiling procurement documents in respect of supplies, services and engineering and construction works.

5 Acts which impact on the content of procurement documents

The Acts outlined in Table 7 have a direct bearing on aspects of contract documents.

Table 7: Acts which impact on the content of procurement documents

Act	Pertinent provisions
The Conventional Penalties Act (Act 15 of 1962)	This Act provides for the enforceability of penalty stipulations, including stipulations based on pre-estimates of damage.
Arbitration Act (Act 42 of 1965)	This Act provides for the settlement of disputes by arbitration tribunals in terms of written arbitration agreements and for the reinforcement of the awards of such tribunals

Part T1: Tendering procedures

Document
number

T1.1

Title

Tender Notice and Invitation to Tender

Function and broad outline of contents Alerts tenderers to the nature of the engineering and construction works required by the employer and should contain sufficient information to enable them to respond appropriately.

Notes

The **Tender Notice and Invitation to Tender** is based on the wording provided in Annex B of the Standard for Uniformity in Construction Procurement. Sub-clause 4.4.1.2 of the Standard for Uniformity in Construction Procurement requires that the Notice and Invitation to Tender, as a minimum, contain the wording provided in Annex B.

Media advertisements should be based on this document.

Commentary

- 1 Regulation 22(1)(b) of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations (Government Gazette 27636 of 30 May, 2005) requires that the closing date for tenders having an estimated value in excess of R 10 million including VAT or of a long term nature be not less than 30 days and 14 days in all other cases except where a shorter period is permitted by the accounting officer on the grounds of urgency or emergency or in exceptional cases where it is impractical or impossible to follow the official procurement process.
- 2 Regulation 22(1)(b) of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations (Government Gazette 27636 of 30 May, 2005) requires the advertisement to state that tenders may only be submitted on the tender documentation that is issued.

T1.1 Tender Notice and Invitation to Tender

<p>..... invites tenders for</p> <p>Preferences are offered to tenderers who</p> <p>Only tenderers who are eligible to submit tenders.</p> <p>The physical address for collection of tender documents is: Documents may be collected during working hours after 09:00 on</p> <p>A non-refundable tender deposit of R.....payable in cash or by bank guaranteed cheque made out in favour of the Employer is required on collection of the tender documents.</p> <p>Queries relating to the issue of these documents may be addressed to Mr/Ms, Tel No., Fax No. e mail</p> <p>A compulsory clarification meeting with representatives of the Employer will take place at on starting at hrs.</p> <p>The closing time for receipt of tenders is hrs on Telegraphic, telephonic, telex, facsimile, e-mail and late tenders will not be accepted.</p> <p>Tenders may only be submitted on the tender documentation that is issued.</p> <p>Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.</p>	<p>Guidance Notes</p> <p><i>Enter the name of the employer and describe briefly what is to be procured, and if appropriate, over what time period.</i></p> <p><i>Briefly indicate the nature of the preferences that are applicable, if so desired.</i></p> <p><i>Where applicable, state essence of eligibility criteria.</i></p> <p><i>Enter data</i></p> <p><i>Omit if not a requirement. Amend wording if cheques or cash are not acceptable.</i></p> <p><i>Enter data</i></p> <p><i>Omit if not a requirement</i></p> <p><i>Enter data and delete that which does not apply</i></p> <p><i>Omit if procurement does not fall within the ambit of the Municipal Finance Management Act.</i></p>
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Document
number

T1.2

Title

Tender Data

Function and broad outline of contents States what the applicable conditions of tender are and where they may be found. Tender Data also provides the variables for standardized conditions of tender.

Notes

Sub-clause 4.4.3.1 of the Standard for Uniformity in Construction Procurement requires that the Tender Data reference the Standard Conditions of Tender contained in Annexure B. These standard Conditions of Tender are identical to Annex F of SANS 294, *Construction Procurement Processes, Procedures and Methods*. (See Appendix B to this document)

The Tender Data informs tenderers about the tendering procedures that are to be observed and the documentation that needs to be submitted with tender offers, failing which, tender offers may be rejected or not be evaluated. The Tender Data also establishes the manner in which the employer undertakes to conduct the tender process and to evaluate tender offers. The Tender Data does this by establishing a set of generic rules relating to the process of offer and acceptance and the tender specific variables relating thereto.

The Standard Conditions of Tender anticipate that certain information associated with particular sub-clauses will be found in the Tender Data. **Such sub-clauses may be voided should such information not be provided.**

The clauses and sub-clauses in the Standard Conditions of Tender are prefixed with the letter F.

The Standard furthermore requires that the tender offer validity period not exceed **eight weeks** (sub-clause 4.4.3.3) and provides standard wording in sub-clause 4.4.3.4 relating to the manner in which the standard tender evaluation methods are referenced in the Tender Data. The Standard in sub-clause 4.3 provides a number of ways in which **quality** may be ensured in the work. The ways in which quality may be addressed through the Tender Data are by:

- a) introducing quality into the eligibility criteria;
- b) establishing a category of preference for quality in the evaluation of tenders; or
- c) evaluating selected quality (functionality) criteria as an integral part of the tender offer.

Commentary:

- 1 Tender offers may only be evaluated in accordance with the evaluation criteria stipulated in the procurement documents. It is therefore essential that the manner in which this is to be done is precisely described in the Tender Data. Sub-clause 4.4.3 of the Standard for Uniformity in Construction Procurement requires that specific wording be incorporated in the Tender Data to precisely define how the evaluation is to take place. These requirements are aligned with the requirements of laws governing public sector procurement. The text may be varied to accommodate private sector procurement requirements as such procurement is not constrained by law.

- 2 The involvements of women and black persons in contracts should not be evaluated in the form of quality criteria in public contracts. This must be addressed in the preferencing points. It should be noted in this regard that the courts have already ruled that empowerment is specifically catered for in the preference points system. (See Reported case (2002[3] All SA 336 ((case No 18276/2001 in the High Court of South Africa))
- 3 Any eligibility criteria introduced into the Tender Data should generally be based on the demonstration of the following, as necessary:
 - a) professional and technical qualifications;
 - b) professional and technical competence;
 - c) financial resources;
 - d) equipment and other physical facilities;
 - e) managerial capacity, reliability, experience; and
 - f) reputation.

Eligibility criteria framed around race and gender may be regarded as a “*the denial of access to opportunities*”, an action prohibited in terms of sections 7 and 8 of the Promotion of Equality and Prevention of Unfair Discrimination Act of 2000 (Act 4 of 2000). Eligibility criteria must not be used to create captive or restricted markets or to erect unjustifiable barriers to trade.

- 4 Quality should only be introduced into the evaluation of tender submissions where it is required to achieve policy objectives in terms of an organization’s procurement policy or it is justifiable in terms of procurement outcomes. Quality measures must not promote captive markets and should result in quality that is appropriate to comply with user requirements as opposed to the best quality available.
- 5 The Supply Chain Management Regulations issued in terms of the Municipal Finance Management Act prohibit the award of contracts to a person in the service of the state, or to a legal entity which has any of its directors, managers, principal shareholders or stakeholders who are in the service of the state or to a person who has advised or acted as a consultant in the development of the scope of work associated with the contract. (The Compulsory Enterprise Questionnaire (see returnable documents) facilitates the gathering of information in this regard)
- 6 Tender evaluation criteria need to be disclosed to tenderers in a fair, equitable and transparent procurement system. Accordingly, all criteria and weightings need to be disclosed within the procurement documents, and no additional criteria may be imposed after the tenders close.

It is important that the wording for the evaluation of tender offers contained in the Standard for Uniformity in Construction Procurement be used without amendment in the public sector. The Preferential Procurement Policy Framework Act (Act 5 of 2000) only makes provision for the evaluation of tender offers on the basis of “price” and “preference.” As a result, points for quality, financial offer and preference cannot be scored separately and combined arithmetically to arrive at a final score. What can be done is to combine the separate scores for quality and financial offer into a scoring of value for money and to treat this score as the “price”, which may then be scored and combined with “preference” in the manner contemplated in the PPPFA.

The Regulations issued in terms of this Act allows the calculation of points for price and functionality (quality) when functionality is regarded as an important evaluation criterion. In this case the tenderer who scored the highest combination of points for price and functionality, must score 80 or 90 points, while other tenderers should score on a pro-rata basis less points out of 80 or 90.

The results of the tender evaluation may be affected by the approach and formula that is adopted as illustrated in the example below. In the interests of transparency, the precise method of evaluating tender submissions must be fully described in the Tender Data.

Example:

Tenders are invited. Three tenders are received and are scored by the tender evaluation panel as follows:

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Tenderer	Financial offer	Quality score of 100 (max)	Preference granted
A	R1 050 000	55,2	0
B	R 1 550 000	84,53	10
C	R 2 050 000	98	5

The weighting between financial offer and quality is 20:80 and preferences count a maximum of 10 points

1 Scoring using simple formula

The score for quality is to be calculated using the following formula:

$$W_Q = W_2 \times S_O / S_S$$

where W_2 is the weighting given to quality and equals 72 ($80 / 100 \times 90$)
 S_O is the score for quality allocated to the submission under consideration
 S_S is the score for allocated to the tenderer scoring the highest quality score

Score financial offer using the following formula contained in the PPPFA regulations:

$$(1 - \frac{(P - P_m)}{P_m}) \times 20 / 100 \times 90$$

where:

P_m = the comparative offer of the most favourable tender offer.
 P = the comparative offer of tender offer under consideration.

Tenderer	Score for financial offer	Score for quality	Score for preference	Total	Ranking
A	20	40,55	0	60,55	3
B	9,43	62,10	10	72,10	2
C	0,86	72	2	74,00	1

Note: If tenderer C tendered an amount above R 2 100 000, the formula would yield a negative number and as a result cannot be scored.

2 Use approach contained in the Standard for Uniformity in Construction Procurement and National Treasury SCM Practice Note 3

The percentage weighting is

The score for quality is to be calculated using the following formula:

$$W_Q = W_2 \times S_O / M_S$$

where W_2 is the percentage score given to quality and equals 80
 S_O is the score for quality allocated to the submission under consideration
 M_S is the maximum possible score for quality in respect of a submission

The score for financial offer is calculated using the following formula where W_1 is the percentage score given to financial offer and equals 20:

$$P_m / P \times W_1$$

where:

P_m = the comparative offer of the most favourable tender offer.
 P = the comparative offer of tender offer under consideration.

The score for quality and financial offer is combined, before the addition of the score for preference, as follows:

$$W_C = W_3 \times (1 + \frac{(S - S_m)}{S_m})$$

Where W_3 is the number of tender evaluation points for quality and financial offer and equals 90
 S is the sum of score for quality and financial offer of the submission under consideration
 S_m is sum of the score for quality and financial offer of the submission scoring the highest number of points

Tenderer	Score for financial offer	Score for quality	Combined	Score for offer	Score for preference	Total	Ranking
A	20	44,16	64,16	65,14	0	65,14	3
B	13,55	67,62	81,17	82,42	10	92,42	1
C	10,24	78,40	88,64	90	2	92,00	2

Had the alternative formula for the calculation of price be used as set out below, the results would have been as follows:

$$(1 - \frac{P - P_m}{P_m}) \times 20$$

Tenderer	Score for financial offer	Score for quality	Combined	Score for offer	Score for preference	Total	Ranking
A	20	44,16	64,16	72,77	0	72,77	3
B	10,48	67,62	78,10	88,58	10	98,58	1
C	0,95	78,40	79,35	90	2	92	2

Although in this instance the results are the same, the result could have been very different had the preferences been different.

It is always preferable to use the formula $P_m / P \times W_1$ to score the financial offer as it will not yield a negative number.

ble.

T1.2 Tender Data

Clause number		Guidance notes
	<p>The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the September 2005 edition of the CIDB Standard for Uniformity in Construction Procurement.</p> <p>The Standard Conditions of Tender for Procurements make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the standard conditions of tender.</p> <p>Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.</p>	<p><i>The CIDB Standard Conditions of Tender are reproduced as Appendix A to this document.</i></p> <p><i>An alternative wording for the first sentence is as follows:</i></p> <p><i>The conditions of tender are the Standard Conditions of Tender as contained in Annex F of SANS 294.</i></p>
F.1.1	The employer is	<i>Enter name of employer</i>
F.1.2	<p>The tender documents issued by the employer comprise:</p> <p>Volume 1: Tendering procedures T1.1 Tender notice and invitation to tender T1.2 Tender data</p> <p>Volume 2: Returnable documents T2.1 List of returnable documents T2.2 Tender schedules C1.1 Form of offer and acceptance C1.2 Contract data (part 2) C2.2 Activity schedules / Bills of Quantities</p> <p>Volume 3: The contract Part 1: Agreements and contract data C1.2 Contract data (part 1) C1.3 Form of Guarantee C1.4 Adjudicator's appointment</p> <p>Part 2: Pricing data C2.1 Pricing instructions</p> <p>Part 3: Scope of work C3 Scope of work</p>	<p><i>Use for 3 Volume approach and omit if single volume approach is adopted)</i></p> <p><i>Revise list of documents as necessary. (Part 2 of the contract data contains the data which tenderers are to submit).</i></p>
F.1.2	<p>The tender documents issued by the employer comprise:</p> <p>T1.1 Tender notice and invitation to tender T1.2 Tender data T2.1 List of returnable documents T2.2 Tender schedules</p> <p>Part 1: Agreements and contract data C1.1 Form of offer and acceptance C1.2 Contract data C1.3 Form of Guarantee C1.4 Adjudicator's appointment</p> <p>Part 2: Pricing data C2.1 Pricing instructions C2.2 Activity schedules / Bills of Quantities</p> <p>Part 3: Scope of work C3 Scope of work</p>	<p><i>Use for single volume approach and delete if 3 volume approach is adopted.</i></p> <p><i>Revise list of documents as necessary.</i></p>
F.1.4	<p>The employer's agent is:</p> <p>Name:</p> <p>Address:</p> <p>Tel:</p> <p>Fax:</p> <p>E-mail:</p>	<i>Enter data. (Name and contact particulars of employee or external agent)</i>

F.2.1	Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders:	<i>Modify statement, state eligibility criteria if other than that relating to contractor grading designation requirements or omit item.</i>										
	<p>Only those tenderers who score a minimum score of 60 points in respect of the following quality criteria are eligible to submit tenders.</p> <table border="1"> <thead> <tr> <th>Description of quality criteria and subcriteria</th> <th>Maximum number of tender evaluation points</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>Total evaluation points for quality (W_Q)</td> <td> </td> </tr> </tbody> </table> <p>The persons named in the Schedule of Key Persons of tenderers who satisfy the minimum quality criteria will be invited to an interview. Tenderers who attain a score of less than 50% of the points allocated to the interview will be declared ineligible to tender.</p>	Description of quality criteria and subcriteria	Maximum number of tender evaluation points							Total evaluation points for quality (W_Q)		<p><i>Insert if it is required that tenderers satisfy a minimum threshold of quality. Develop quality criteria around the listings provided in Table 2 of SANS 294.</i></p> <p><i>Make provision for interviews if the quality of proposals / submission is to be confirmed through an interview.</i></p>
Description of quality criteria and subcriteria	Maximum number of tender evaluation points											
Total evaluation points for quality (W_Q)												
F.2.7	<p>The arrangements for a compulsory/non-compulsory clarification meeting are: Location: Date: Starting time:</p> <p>Confirmation of attendance to be notified at least one full working day in advance to: Name: Tel: Fax:</p>	<i>If not a requirement, replace with "There are no compulsory or clarification meetings."</i>										
F.2.12	If a tenderer wishes to submit an alternative tender offer, the only criteria permitted for such alternative tender offer is that it	<i>Omit if there are no requirements, state requirements or state that: 'No alternative offers will be considered.'</i>										
F.2.13.1	Tenderers may offer to provide any of the following parts, or combinations thereof, of the works, services or supply identified in the contract data:	<i>Omit if not permitted. Amend statement as necessary</i>										
F.2.13.3	Parts of each tender offer communicated on paper shall be submitted as an original, plus copies.	<i>Enter the required information.</i>										
F.2.13.3	Where tenders are requested in electronic format, supplement electronic format with hard copies and submit hard copy in accordance with the provisions of F.2.13.5.	<i>Insert only in tenders for municipalities and municipal entities where tenders are to be submitted electronically. (See Regulation 22(4) of the MFMA Supply Chain Management Regulations)</i>										

F.2.13.5	The employer's address for delivery of tender offers and identification details to be shown on each tender offer package are: Location of tender box: Physical address: Identification details:	<i>Enter data</i> <i>Describe how the tender submissions are to be marked</i>
F.2.13 F.3.5	A two-envelope procedure will not be followed.	<i>Delete the word 'not' if a two-envelope procedure is required.</i>
F.2.15	The closing time for submission of tender offers is hours on (day) (date)	<i>Enter closing time, day and date.</i>
F.2.15	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.	<i>If telegraphic, telex, facsimile or e-mailed tender offers will be accepted, delete the word 'not' from this sentence.</i>
F.2.16	The tender offer validity period is weeks	<i>State time period in weeks, but not more than 8 weeks.</i>
F.2.19	Access shall be provided for the following inspections, tests and analysis:	<i>State requirements or omit item.</i>
F.2.22	Return all retained tender documents within 28 day after the expiry of the validity period	<i>Omit if not a requirement.</i>
F.2.23	The tenderer is required to submit with his tender: 1) an original valid Tax Clearance Certificate issued by the South African Revenue Services; 2)	<i>State requirements.</i>
F.3.4	The time and location for opening of the tender offers are: Time on (date) Location:	<i>Insert data or state what the arrangements for opening are.</i>
F.3.11	The procedure for the evaluation of responsive tenders is Method 1	<i>Insert where Method 1 (Financial Offer) is used to evaluate tender offers.</i>

<p>F.3.11</p>	<p>The procedure for the evaluation of responsive tenders is Method 2</p> <p>The financial offer will be scored using Formula (option 1) where the value of W_1 is:</p> <ol style="list-style-type: none"> 1) 90 where the financial value inclusive of VAT of all responsive tenders received have a value in excess of R 500 000; or 2) 80 where the financial value inclusive of VAT of one or more responsive tender offers equals or is less than R 500 000. <hr/> <p>Up to 100 minus W_1 tender evaluation points will be awarded to tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed.</p> <hr/> <p>A maximum of 100 minus W_1 tender evaluation points will be awarded, based on the following formula:</p> $N_p = \frac{(100 - W_1) \times D}{100}$ <p>where D = tendered Contract Participation Goal.</p> <hr/> <p>A maximum of 100 minus W_1 tender evaluation points will be awarded for the extent to which the tendered Contract Participation Goal exceeds the specified minimum. The basis of award of preference points is:</p> $N_p = \frac{(100 - W_1) \times (D - D_s)}{(X - D_s)}$ <p>where D = tendered Contract Participation Goal. D_s = the minimum Contract Participation Goal below which no preference will be granted, namely,% X = the maximum Contract Participation Goal above which no further tender evaluation points are awarded, namely %.</p>	<p>Insert where Method 2 (Financial Offer and Preferences) is used to evaluate tender offers. Enter the number of the Formula (1 or 2), depending upon what the comparison is intended to achieve.</p> <p>Use this wording where direct preferences are used Use this wording where preferences are granted for direct participation</p> <p>Use this wording where preferences are granted for direct participation . Fill in the values of D_s and X.</p>
<p>F.3.11</p>	<p>The procedure for the evaluation of responsive tenders is Method 3</p> <p>The score for quality is to be calculated using the following formula:</p> $W_Q = W_2 \times S_O / M_S$ <p>where W_2 is the percentage score given to quality and equals S_O is the score for quality allocated to the submission under consideration M_S is the maximum possible score for quality in respect of a submission</p> <p>The score for financial offer is calculated using Formula (Option) where W_1 is the percentage score given to financial offer and equals 100 minus W_2.</p>	<p>Required where Method 3 (Financial Offer and Quality) is used to evaluate tender offers. Enter the percentage score for quality. Enter the number of the Formula (1 or 2), depending upon what the comparison is intended to achieve and which Option (1 or 2). Option 2 is recommended.</p>

<p>F.3.11</p>	<p>The procedure for the evaluation of responsive tenders is Method 4</p> <p>The score for quality is to be calculated using the following formula:</p> $W_Q = W_2 \times S_0 / M_s$ <p>where W_2 is the percentage score given to quality and equals</p> <p>S_0 is the score for quality allocated to the submission under consideration</p> <p>M_s is the maximum possible score for quality in respect of a submission</p> <p>The score for financial offer is calculated using Formula (option 2) where W_1 is the percentage score given to financial offer and equals 100 minus W_2.</p> <p>The score for quality and financial offer is to be combined, before the addition of the score for preference, as follows:</p> $W_C = W_3 \times \frac{1 + (S - S_m)}{S_m}$ <p>Where W_3 is the number of tender evaluation points for quality and financial offer and equals:</p> <ol style="list-style-type: none"> 1) 90 where the financial value inclusive of VAT of all responsive tenders received have a value in excess of R 500 000; or 2) 80 where the financial value inclusive of VAT of one or more responsive tender offers equals or is less than R 500 000. <p>S is the sum of score for quality and financial offer of the submission under consideration</p> <p>S_m is sum of the score for quality and financial offer of the submission scoring the highest number of points</p> <hr/> <p>Up to 100 minus W_3 tender evaluation points will be awarded to tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed.</p> <hr/> <p>A maximum of 100 minus W_3 tender evaluation points will be awarded, based on the following formula:</p> $N_p = \frac{(100 - W_3) \times D}{100}$ <p>where D = tendered Contract Participation Goal.</p> <hr/> <p>A maximum of 100 minus W_3 tender evaluation points will be awarded for the extent to which the tendered Contract Participation Goal exceeds the specified minimum. The basis of award of preference points is:</p> $N_p = \frac{(100 - W_1) \times (D - D_s)}{(X - D_s)}$ <p>where D = tendered Contract Participation Goal.</p> <p>D_s = the minimum Contract Participation Goal below which no preference will be granted, namely,%</p> <p>X = the maximum Contract Participation Goal above which no further tender evaluation points are awarded, namely%.</p>	<p>Required where Method 4 (Financial Offer, Quality and Preferences) is used to evaluate tender offers. Enter the percentage score for quality.</p> <p><i>Enter the number of the Formula (1 or 2), depending upon what the comparison is intended to achieve.</i></p> <p><i>Use this wording where direct preferences are used</i></p> <p><i>Use this wording where preferences are granted for direct participation</i></p> <p><i>Use this wording where preferences are granted for direct participation. Fill in the values of D_s and X.</i></p>
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F.3.11.3	<p>The quality criteria and maximum score in respect of each of the criteria are as follows:</p> <table border="1" data-bbox="380 285 1101 531"> <thead> <tr> <th data-bbox="380 285 870 380">Description of quality criteria and subcriteria</th> <th data-bbox="870 285 1101 380">Maximum number of tender evaluation points</th> </tr> </thead> <tbody> <tr> <td data-bbox="380 380 870 422"> </td> <td data-bbox="870 380 1101 422"> </td> </tr> <tr> <td data-bbox="380 422 870 464"> </td> <td data-bbox="870 422 1101 464"> </td> </tr> <tr> <td data-bbox="380 464 870 506"> </td> <td data-bbox="870 464 1101 506"> </td> </tr> <tr> <td data-bbox="380 506 870 531">Total evaluation points for quality (W_Q)</td> <td data-bbox="870 506 1101 531"> </td> </tr> </tbody> </table>	Description of quality criteria and subcriteria	Maximum number of tender evaluation points							Total evaluation points for quality (W_Q)		<p>Omit item if method 1 or 2 applies. Complete table. (see Table 2 of SANS 294.)</p>
Description of quality criteria and subcriteria	Maximum number of tender evaluation points											
Total evaluation points for quality (W_Q)												
F.3.11	<p>The minimum number of evaluation points for quality is</p> <hr/> <p>The persons named in the Schedule of Key Persons of tenderers who satisfy the minimum quality criteria will be invited to an interview. Tenderers who attain a score of less than 50% of the points allocated to the interview will be declared ineligible to tender.</p>	<p>Omit if method 1 or 2 applies or if there is no minimum number of points for quality. Make provision for interviews if the quality of proposals / submission is to be confirmed through an interview.</p>										
F3.13.1	<p>Tender offers will only be accepted if:</p> <ul style="list-style-type: none"> a) the tenderer has in his or her possession an original valid Tax Clearance Certificate issued by the South African Revenue Services b) the tenderer is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges; c) the tenderer or any of its directors is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector; and d) the tenderer has not: <ul style="list-style-type: none"> i) abused the Employer's Supply Chain Management System; or ii) failed to perform on any previous contract and has been given a written notice to this effect.. 	<p>Omit it there is not a requirement. Insert particulars in accordance with the organization's procurement policy. (Requirement for valid tax clearance certificate not required if contractor is registered with the CIDB).</p>										
F.3.18	<p>The number of paper copies of the signed contract to be provided by the employer is</p>	<p>Insert number.</p>										
	<p>The additional conditions of tender are:</p> <p>1</p> <p>2</p> <p>3</p>	<p>Such conditions should only be used on very rare occasions. It is easier to use tender schedules for the purpose of soliciting information to be returned with the tender offer. The conditions of tender state that all schedules shall be completed and submitted as part of the tender offer.</p>										

	Tenderers may not form any joint ventures without the permission of the employer	<i>Use this condition where the qualified procedure is used and a limited number of respondents are short listed, i.e. where competition may be compromised by joint venture formation.</i>
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Part T2: Returnable Schedules

Document
number

T2.1

Title

List of Returnable Documents

Function and broad outline of contents

States everything that the employer requires a tenderer to submit with his tender.

Notes

The Standard for Uniformity in Construction Procurement has no specific requirements for the List of Returnable Documents. It does, however, require that the following schedules be included in all procurement documents:

- Record of Addenda to Tender Documents (see Annex K); and
- Compulsory Enterprise Questionnaire (see Annex L)

Accordingly, the List of Returnable Documents should as a minimum include these two documents.

Commentary:

- 1 The List of Returnable Documents lists the documents that are returned with, or constitute, a tender. Whilst many of the returnables are required for the purpose of evaluating tenders, some will form part of the subsequent contract, as they form the basis of the tender offer. For this reason, it is very important that all tenderers return all information requested.
- 2 Forms and certificates that are to be completed after the award of the contract must not be included in the returnable documents.
- 3 The list of returnable documents should also indicate which of the schedules are for evaluation purposes and which will form part of the contract.
- 4 It is costly and time consuming for a tenderer to provide information. Accordingly only that which is absolutely essential for evaluation purposes and the formation of the contract should be requested. It is always possible to request further particulars from “short listed” tenderers as Clause F.2.18.1 of the Standard Conditions of Tender reads as follows:
Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer’s commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer’s request, the employer may regard the tender offer as being non-responsive.
- 5 Sub-regulation 35(3) of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations (Government Gazette 27636 of 30 May, 2005) requires that tenderers furnish the employer with particulars of all consultancies provided to an organ of state in the last five years and any similar consultancy provided to an organ of state during this period.

- 6 The acceptance portion of the Form of Offer and Acceptance makes reference to addenda. It is therefore essential to provide a suitable form to capture the addenda issued prior to the closing of tenders.
- 7 Regulation 13 of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations (Government Gazette 27636 of 30 May, 2005) requires that tenderers submit the following to permit municipalities and municipal entities consider their quotation or tender:
- a) name, identification number or company registration number or other registration number, and tax reference number and VAT registration number, if any;
 - b) authority to permit the municipality or municipal entity to obtain a tax clearance certificate from SARS;
 - c) a disclosure relating to individuals (sole proprietors, individuals, directors, principal shareholders or stakeholders) who are in the service of the state or have been in the service during the last 12 months; and
 - d) a disclosure relating to individuals (sole proprietors, individuals, directors, principal shareholders or stakeholders) whose spouse, parent or child are in the service of the state or have been in the service during the last 12 months.

The inclusion of the Compulsory Enterprise Questionnaire contained in Annex L of the CIDB Standard for Uniformity in Construction Procurement enables these requirements to be satisfied. It also allows Regulation 21 c) which requires that the procurement documentation must compel bidders to declare any conflict of interest, to be satisfied.

- 8 Sub-regulation 21(d) requires tenderers to furnish the following information where the transaction is expected to exceed R 10 million including VAT before their tenders may be evaluated:
- a) audited financials for the past three years or since the establishment of the enterprise, if required by law to produce annual financial statements;
 - b) a certificate certifying that the enterprise has no undisputed commitments to a municipality or other service provider in respect of which payment is overdue by more than 30 days;
 - c) particulars of any contracts awarded by an organ of state during the last five years including particulars of any material non-compliance or dispute concerning their execution over this period; and
 - d) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic.

These items must be included in the List of Tender Returnables.

- 9 Regulation 43 of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations prohibits the award of a contract above R15 000 to a person whose tax matters have not been declared by the South African Revenue Service to be in order and requires the accounting officer to check with SARS whether that person's tax matters are in order prior to making an award. Sub-regulation 43(3) presumes that a person's tax matters are in order should SARS not respond within 7 days.

It should be noted that the Compulsory Enterprise Questionnaire authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services.

- 10 Regulation 44 of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations prohibits the award of a contract to a natural person who is in the service of the state or to a juristic person with a director, manager, principal shareholder or stakeholder is a person who is in the employ of the state. Regulation 44 requires that the notes to the annual financial statements of a municipality or municipal entity must disclose any award of a contract of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state in the previous 12 months.

It should be noted that the Compulsory Enterprise Questionnaire facilitates the capturing of the information required to implement Regulations 44 and 45.

T2.1 List of Returnable Documents

<p>The tenderer must complete the following returnable documents:</p> <p>1 Returnable Schedules required for tender evaluation purposes</p> <p>2 Other documents required for tender evaluation purposes</p> <p>3 Returnable Schedules that will be incorporated into the contract</p> <p>4 Other documents that will be incorporated into the contract</p> <p>5 C1.1 Offer and acceptance</p> <p>6 C1.2 Contract Data (Part 2)</p> <p>7 C2.2 Activity schedule</p>	<p>Guidance notes</p> <p><i>List all schedules required for tender evaluation purposes eg. Certificate of Authority for Signatory, etc Include Record of Addenda to Tender Documents; and Compulsory Enterprise Questionnaire.</i></p> <p><i>List all certificates and other documents that are required eg. Tax clearance certificate or application for tax clearance certificate and documents included in 8th paragraph of commentary for T2.1 where contract value is expected to exceed R10 million and the employer is a municipality / municipal entity.</i></p> <p><i>List all schedules that will be incorporated into the contract eg Preferencing schedules, Record of Addenda to tender documents.</i></p> <p><i>List other documents, if any, that will form part of the contract.</i></p> <p><i>List all documents that need to be completed by the tenderer.</i></p>
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Document
number

T2.2

Title

Returnable Schedules

Function and broad outline of contents Contains documents that the tenderer is required to complete for the purpose of evaluating tenders and other schedules which upon acceptance become part of the subsequent contract upon acceptance.

Notes

Returnable schedules comprise those schedules that are:

- a) used for evaluation purposes only such as a certificate for signatories, a certificate of attendance at clarification meetings, experience of a tenderer, and proposed subcontractors;
- b) included in the subsequent contract such as curricula vita of key personnel, quality plans, management plans and preferencing schedules; and
- c) used as the basis for the development of the scope of work of a contract that is entered into.

Returnable schedules that are used for evaluation purposes only should not form part of the subsequent contract. Returnable schedules that form part of the subsequent contract should be attached to the Contract Data, Scope of Work or the Pricing Data, as relevant, when compiling the final contract. The contents of returnable schedules which modify the scope of work presented in the tender documents should be incorporated into the scope of work of the contract by reference in the schedule of deviations of the Form of Offer and Acceptance in single volume approach and by insertion into the text of the contract documents in the three volume approach.

The Standard for Uniformity in Construction Procurement has requirements for Returnable Schedules. These relate only to preferencing schedules. Sub-clause 4.4.2 of the Standard requires that preferencing schedules relating to the targeting of enterprises and labour not differ substantially from the samples provided in Annexes D and E of the Standard and that these returnable schedules, if applicable to the contract, be incorporated in the scope of work when the contract is compiled where a three volume approach in the solicitation of tender offers is adopted. The sample preferencing schedules provided in this document reflect the wording contained in the Standard.

The Standard does, however, require that the following schedules be included in all procurement documents:

- Record of Addenda to Tender Documents (see Annex K); and
- Compulsory Enterprise Questionnaire (see Annex L)

The other returnable schedules provided in this document are **samples** only.

Certificate of Authority for Joint Ventures

This Returnable Schedule is to be completed by joint ventures.

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms
 , authorised signatory of the company
 , acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

NAME OF FIRM	ADDRESS	DULY AUTHORISED SIGNATORY
Lead partner		Signature. Name Designation
		Signature. Name Designation
		Signature. Name Designation
		Signature. Name Designation

Record of Addenda to tender documents

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:		
	Date	Title or Details
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Attach additional pages if more space is required.

Signed	Date
_____	_____
Name	Position
_____	_____
Tenderer	

Compulsory Enterprise Questionnaire

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1: Name of enterprise:

Section 2: VAT registration number, if any:

Section 3: CIDB registration number, if any:

Section 4: Particulars of sole proprietors and partners in partnerships

Name*	Identity number*	Personal income tax number*

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 5: Particulars of companies and close corporations

Company registration number

Close corporation number

Tax reference number

Section 6: Record in the service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|--|---|
| <input type="checkbox"/> a member of any municipal council
<input type="checkbox"/> a member of any provincial legislature
<input type="checkbox"/> a member of the National Assembly or the National Council of Province
<input type="checkbox"/> a member of the board of directors of any municipal entity
<input type="checkbox"/> an official of any municipality or municipal entity | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
<input type="checkbox"/> a member of an accounting authority of any national or provincial public entity
<input type="checkbox"/> an employee of Parliament or a provincial legislature |
|--|---|

If any of the above boxes are marked, disclose the following:

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

*insert separate page if necessary

Section 7: Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- a member of any municipal council
- a member of any provincial legislature
- a member of the National Assembly or the National Council of Province
- a member of the board of directors of any municipal entity
- an official of any municipality or municipal entity
- an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
- a member of an accounting authority of any national or provincial public entity
- an employee of Parliament or a provincial legislature

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

*insert separate page if necessary

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- i) authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- ii) confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- iii) confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- iv) confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- iv) confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed

Date

Name

Position

Enterprise name

Preferencing schedule where direct preferences are granted in respect of targeted enterprise status

<p>1 Definitions</p> <p>The following definitions shall apply to this schedule: </p> <p>1 Conditions associated with the granting of preferences</p> <p>The tenderer, who being a Targeted Enterprise undertakes to:</p> <ol style="list-style-type: none"> 1) not subcontract more than ...% of the Net Amount of the Contract to non-Targeted Enterprises; 2) remain a Targeted Enterprise for the duration of the Contract; 3) accept the sanctions set out in Section 3 below should conditions 1 or 2 be breached; 4) complete the Tender Preference Claim Form contained in Section 4 below; and 5) complete a Targeted Declaration Affidavit and submit this with the tender. <p>3 Sanctions relating to breaches of preferencing conditions</p> <p>Termination of the Contract or a financial penalty payable to the Employer equal to times the number of tender evaluation points awarded in respect of the preference claimed.</p> <p>4 Tender preference claim in respect of enterprise status or structure of the tendering entity</p> <p>I/we apply on behalf of my/our firm for the following preference:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 33%;">Category of Targeted Enterprise</th> <th style="width: 33%;">Percentage of maximum tender evaluation points provided for in the Preferential Procurement Policy Framework Act (Act 5 of 2000)</th> <th style="width: 33%;">Preference claimed for Targeted Enterprise status (Y=yes)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p>The undersigned, who warrants that he / she is duly authorised to do so on behalf of the firm or sole proprietor confirms that he / she understands the conditions under which such preferences are granted and confirms that the tenderer satisfies the conditions pertaining to the granting of tender preferences.</p> <p>Signature : </p> <p>Name : </p> <p>Duly authorised to sign on behalf of : </p> <p>Telephone :</p> <p>Fax :</p> <p>Date :</p>	Category of Targeted Enterprise	Percentage of maximum tender evaluation points provided for in the Preferential Procurement Policy Framework Act (Act 5 of 2000)	Preference claimed for Targeted Enterprise status (Y=yes)										<p>Guidance notes</p> <p><i>Insert definitions for Targeted Enterprises</i></p> <p><i>Insert percentage (typically between 20 and 25%)</i></p> <p><i>Insert factor ≥1,0 (typically 1,25 to 1,5)</i></p> <p><i>Insert category description and percentage of maximum tender evaluation points tender schedule in table.</i></p>
Category of Targeted Enterprise	Percentage of maximum tender evaluation points provided for in the Preferential Procurement Policy Framework Act (Act 5 of 2000)	Preference claimed for Targeted Enterprise status (Y=yes)											

Preferencing schedule where preferences are granted in respect of HDI equity

1 Definitions

The following definitions shall apply to this schedule:

Equity ownership: The percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of the company's shares that are owned by individuals, who are actively involved in the management of an enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

Note: All claims for HDI equity ownership by an HDI will be considered according to the following criteria:

- equity within private companies will be based on the percentage of equity ownership;
- preference points will not be awarded to public companies and tertiary institutions;
- equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust; and.
- a consortium or Joint Venture may, based on the percentage of the contract value managed or executed by their HDI members, be entitled to equity ownership.

Historically disadvantaged individual (HDI): A natural person who, due to the apartheid policy that had been in place had no franchise in national elections prior to the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993) (the interim Constitution)

2 Conditions associated with the granting of preferences

The tenderer who claims a preference, undertakes to:

- 1) not subcontract more than 25% of the Net Amount of the Contract to a person who is not an HDI or does not qualify for such preference;
- 2) maintain a HDI equity ownership of not less than that upon which the preference is based upon for the duration of the Contract;
- 3) accept the sanctions set out in Section 3 below should conditions 1 or 2 be breached;
- 4) complete the Tender Preference Claim in respect of Enterprise Status or Structure in the Tendering Entity contained in Section 4 below; and
- 5) complete the Declaration with regard to Equity Ownership contained in section 5 below.

3 Sanctions relating to breaches of preferencing conditions

Termination of the Contract or a financial penalty payable to the Employer equal to 1,25 times the number of tender evaluation points awarded in respect of the preference claimed multiplied by the contract price, including Value Added Tax, divided by 100.

4 Tender preference claim in respect of enterprise status or structure of the tendering entity

Number of preference points = $\text{NOP} \times \text{EP} / 100$

NOP = maximum tender evaluation points provided for in the Preferential Procurement Policy Framework Act (Act 5 of 2000)

EP = the percentage of equity ownership by an HDI within the business enterprise

I/we apply on behalf of my/our firm for a preference based on an HDI equity ownership percentage of%

5 Declaration with regard to equity ownership

5.1 How long has the Company been in existence ?

5.2 Describe principal business activities:

.....
.....
.....
.....

Sample preferencing schedule where preferences are granted in respect of the direct participation of targeted enterprises and / or labour

<p>1 Definitions</p> <p>The following definitions shall apply to this schedule: </p> <p>2 Conditions associated with the granting of preferences</p> <p>The Tenderer, undertakes to:</p> <ol style="list-style-type: none"> 1) engage one or more.....in accordance with the provisions of the SANS 1914-.....as varied in Section 3 hereunder; 2) deliver to the Employer, within 5 working days of being requested in writing to do so, a completed Joint Venture Disclosure Form (Annex D of SANS 1914-1) and a Joint Venture Agreement, should a joint venture be proposed at prime contract level with Targeted Partners to satisfy Contract Participation Goal undertakings (deliver to the Employer, within 5 working days of being requested in writing to do so, a Targeted Enterprise Declaration Affidavit in respect of all Targeted Enterprises engaged at prime contract level to satisfy Contract Participation Goal undertakings 3) accept the sanctions set out in Section 4 below should such conditions be breached; 4) complete the Tender Preference Claim Form contained in Section 5 below; and 5) complete the Supporting Contract Participation Goal Calculation contained in this schedule. <p>3 Variations to the targeted construction procurement specification SANS 1914-</p> <p>The variations to SANS 1914-..... are set out below. Should any requirements of the variations conflict with requirements of SANS 1914-, the requirements of the variations shall prevail.</p> <p>.....</p> <p>4 Sanctions</p> <p>In the event that the Tenderer fails to substantiate that any failure to achieve the Contract Participation Goal relating to the granting of a preference was due to quantitative under runs, the elimination of items, or any other reason beyond the Contractor's control which may be acceptable to the Employer, it shall be liable to pay to the Employer a financial penalty calculated in the following manner:</p> $P = \frac{0,15 \times (D - D_0) \times N_A}{(100)}$ <p>where D = tendered Contract Participation Goal percentage. D₀ = the Contract Participation Goal which the Employer's representative based on the credits passed, certifies as being achieved upon completion of the Contract. N_A = Net Amount P = Rand value of penalty payable</p> <p>5 Tender preference claim in respect of enterprise status or structure of the tendering entity</p> <p>I / we hereby tender a Contract Participation Goal of% in order to claim a preference.</p>	<p>Guidance notes</p> <p><i>Insert definition for Targeted Enterprises and / or Targeted Labour.</i></p> <p><i>Insert targeted enterprises / targeted labour (or both) and insert appropriate SANS part number in 1). Adjust wording to 2) to reflect documentation that is required or delete if not required..</i></p> <p><i>Insert SANS part number.</i></p> <p><i>Insert SANS part number and title as relevant.</i></p> <p><i>Insert variations if any. If none, insert "There are no variations".</i></p>
--	--

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the firm or sole proprietor confirms that he / she understands the conditions under which such preferences are granted and confirms that the tenderer satisfies the conditions pertaining to the granting of tender preferences.

Signature :
.....

Name :
.....

Duly authorised to sign on behalf of :
.....

Telephone :

Fax : Date :
.....

Supporting contract participation goal calculation

.....

*Insert Annex A:
Tendered goal
calculation from
relevant part of SANS
1914*

Part C1: Agreements and contract data

Document
number

C1.1

Title

Form of Offer and Acceptance

Function and
broad outline of
contents

This document formalises the legal process of offer and acceptance. It contains:

- a) the offer to provide the professional services for a price, or in accordance with the terms of the financial proposal made;
- b) confirmation from the employer that he accepts the tender offer following his tender evaluation, and that a contract therefore exists; and
- c) a schedule of deviations which records any agreed changes to the documentation that may occur during the process of offer and acceptance.

Notes

This **Form of Offer and Acceptance** is based on the wording provided in Annex C of the Standard for Uniformity in Construction Procurement and Annex G of SANS 294. Sub-clause 4.4.1.3 of the Standard requires that this Form of Offer and Acceptance together with the schedule of deviations be used with minimal contract specific amendments to form the basis of an agreement arising from the solicitation of tender offers.

The schedule of deviations documents the agreed departures from the tender documents and serves as a record of the outcomes of any negotiations between offer and acceptance.

It should be noted that:

- a) The extent of deviations from the tender documents issued by the employer prior to the tender closing date is limited to those permitted in terms of the conditions of tender.
- b) A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid, be the subject of agreements reached during the process of offer and acceptance, the outcome of such agreement shall be recorded here.
- c) Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents, and which it is agreed by the parties becomes an obligation of the contract, must also be recorded in the schedule.

The **schedule of deviations** should, in the single volume approach, contain the detail of every change made in terms of addenda issued prior to the close of tenders and all other changes to the wording of the contract arising from the process of offer and acceptance. In the three volume approach, a brief summary of the changes should be provided in sufficient detail so as to allow the reader to understand the nature and extent of the changes. It is not necessary to provide the detail of the changes as these will be incorporated in the final contract documents. In the event that extensive deviations are made, it is preferable to switch to the three volume approach and to incorporate the changes in the final contract documents.

Commentary

- 1 There are two options provided for in the acceptance portion of the Form of Offer and Acceptance. The process of offer and acceptance is relatively straight forward. The tenderer makes an offer and the employer accepts that offer. The contract comes into effect once the tenderer (now service provider / consultant) receives one fully completed original copy of this document. The question that then arises is "*how does one establish the start date for the contract?*"

It is relatively straight forward to establish the date if the contract is presented to the tenderer at the site hand over or when the service provider / consultant comes to the offices of the employer and is presented with a completed contract. Where there are large distances between the offices of the service provider / consultant and the employer, particularly in the case of low value contracts, or where the site is remote from the employer's offices. As a result, an alternative option is provided whereby the employer can make use of a courier-to-counter delivery / counter-to-counter delivery / door-to-counter delivery /door-to-door delivery /courier service, provided that the employer notifies the tenderer of the tracking number within 24 hours of submitting the documents to such a service. This provides flexibility in the manner in which the process may be managed.

- 2 In terms of the Form of Offer and Acceptance, depending upon which option is used, the agreement comes into effect either on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any), or two working days after the submission by the employer of such documents to a courier-to-counter delivery / counter-to-counter delivery / door-to-counter delivery /door-to-door delivery /courier service. The tenderer (now service provider / consultant) has five working days from the date of such receipt, or within seven working days from the date of such submission to one of the aforementioned services, to notify the employer in writing of any reason why he cannot accept the contents of this agreement, failing which the agreement becomes a binding contract between the parties. The tenderer may only reject the contract on the basis that it does not reflect what was agreed to during the process of offer and acceptance e.g. the contract as issued differs from the draft contract, the schedule of deviations does not capture the addenda that were issued prior to the closing date for tender submissions, the scope of work does not reflect what was agreed to during the process of offer and acceptance etc.
- 3 The Form of Offer and Acceptance requires that the contract terms and conditions be finalized before the contract is entered into. This approach is in contrast to the linking of the formation of the contract to the notification of award. As such the acceptance does not contain wording such as "Until a formal contract is prepared and executed, this tender, together with written acceptance thereof and your notification of award, shall constitute a binding contract between us."
- 4 The Form of Offer and Acceptance requires that the service provider / consultant make arrangements to deliver to the employer's agent any bonds, guarantees, proof of insurance and any other documentation required in terms of the contract. Failure to provide these documents constitutes a repudiation of the contract.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfill any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor) within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature
Name
Capacity
for the
Employer
(Name and address of organization)
Name and signature
of witness Date

Schedule of Deviations

- 1 Subject

Details

- 2 Subject

Details

- 3 Subject

Details

- 4 Subject

Details

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the tender schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

Insert the particulars of the employer and the person authorized by the employer to accept the offer.

C1.1 Form of Offer and Acceptance (option 2)

Offer	Guidance notes
<p>The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of: </p> <p>The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.</p> <p>By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the provider / consultant under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.</p> <p>THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS Rand (in words); R(in figures)</p> <p>This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the provider / consultant in the conditions of contract identified in the contract data.</p> <p>Signature</p> <p>Name</p> <p>Capacity</p> <p>for the tenderer</p> <p>.....</p> <p>(Name and address of organization)</p> <p>Name and signature of witness Date</p> <p>CIDB registration number</p> <p>Acceptance</p> <p>By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the provider / consultant the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.</p> <p>The terms of the contract, are contained in:</p> <p style="padding-left: 40px;">Part C1 Agreements and contract data, (which includes this agreement)</p> <p style="padding-left: 40px;">Part C2 Pricing data</p> <p style="padding-left: 40px;">Part C3 Scope of work.</p> <p>and drawings and documents or parts thereof, which may be incorporated by reference into Parts 1 to 4 above.</p> <p>Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless</p>	<p><i>Insert broad description of the works.</i></p> <p><i>Delete service provider in brackets if NEC Form of Contract is used and consultant if CIDB Form of Contract is used.</i></p>

contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfill any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect two working days after the submission by the employer of one fully completed original copy of this document including the schedule of deviations (if any), to a courier-to-counter delivery / counter-to-counter delivery / door-to-counter delivery /door-to-door delivery /courier service (delete that which is not applicable), provided that the employer notifies the tenderer of the tracking number within 24 hours of such submission. Unless the tenderer (now contractor) within seven working days of the date of such submission notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature
Name
Capacity
for the
Employer
(Name and address of organization)
Name and signature
of witness Date

Schedule of Deviations

1 Subject

Details _____

2 Subject

Details _____

3 Subject

Details _____

4 Subject

Details _____

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the tender schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

Delete options that are not applicable.

Insert the particulars of the employer and the person authorized by the employer to accept the offer.

Document
number

C1.2

Title

Contract Data

Function and broad outline of contents

This document identifies which standard conditions of contract are applicable, and together with contract specific data, establishes the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.

Notes

Clause 4.4.4.1 of the Standard for Uniformity in Construction Procurement requires that the contract data in respect of prime or main contracts must reference one of the following standard industry forms of contract unless the publishers of such forms of contract indicate that such a form of contract is not suited for the intended application:

- i) CIDB Standard Professional Services Contract; or
- ii) NEC3 Professional Services Contract.

Clause 4.4.4.2 of the Standard requires that the aforementioned standard industry forms of contract be used with **minimal project specific variations and additions which do not change their intended usage.**

The abovementioned standard forms of contract need not be issued with a tender or included in the final contract document, but should be referred to as being part of the contract data.

Commentary:

- 1 The contract data should contain provisions for (see SANS 294, Construction Procurement Processes, Procedures and Methods):
 - a) price adjustments, should the contract period exceed one year, and
 - b) interest, at the prime interest rate, on monies due to the service provider / consultant, which are not paid within 30 days of being due, to deter late payment.
- 2 Contracts involving reimbursements on the basis of time and costs or on the basis of cost plus a fee for profit and overheads must be structured such that
 - a) expenditure can be readily audited,
 - b) reimbursable costs are at market or competitively tendered prices,
 - c) the end costs of the contract can be continuously tracked and reported on at regular intervals, and
 - d) within a short time after the completion of the contract, the final contract amount is known and can be settled.
- 3 Requirements for delivery periods that are incorporated into procurement documents shall be consistent with the organization's reasonable needs and shall take into account factors such as the complexity of the intended procurement and realistic time frames for completing the work.
- 4 The Construction Procurement Best Practices published by the CIDB in government gazette no 24627 of 9 June 2004 states the following:

The procedure whereby disputes are settled by arbitration or court proceedings is both costly and time consuming. These procedures are not necessarily in the interests of the parties, or appropriate. The delayed resolution of disputes impacts negatively on project outcomes for all participants. Most standard forms of contract make provision for the settlement of disputes by a number of means

including expert determination, mediation, conciliation and adjudication. Each of these has its place in the course of dispute resolution.

Adjudication has become the preferred international procedure for dispute resolution. This rapid and relatively inexpensive procedure, which is conducted by a third party intermediary within the contract period, results in a decision that is binding on the parties in dispute. The decision is final, unless and until it is reviewed by either arbitration or court proceedings. The strength of adjudication lies in the contractual commitment by the parties to engage a specific, named (independent) person or persons who will become and remain acquainted with the project and are therefore enabled to make an expeditious finding. Furthermore, the terms and procedures for the process of adjudication are agreed and detailed in the contract itself. This results in an informed, transparent, relatively speedy decision.

CIDB Construction Procurement Best Practice Guideline C3, *Adjudication*, provides an overview of what adjudication is, presents the principles underpinning adjudication, reviews the provisions for adjudication in standard forms of contract (NEC, FIDIC and CIDB), outlines an approach for the selection and use of adjudicators, and provides sample clauses and proforma agreements to be included in procurement documents. The sample Contract Data incorporate the guidance provided in this practice guide.

A fair and equitable form of contract contains a dispute procedure to resolve disputes during the contract period. As a result, each contract must contain either a mediation or adjudication procedure to resolve disputes during the contract period and either a litigation or arbitration procedure to finally settle disputes, should it be necessary.

Regulation 21(e) of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations stipulate that disputes must *be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.* This regulation in effect requires that alternative means should be pursued before settling a dispute in court. It should be noted that arbitration is a means of settling a dispute other than through court and courts, in terms of the Arbitration Act of 1965 (Act 42 of 1965), may under certain circumstances, set aside an award of an arbitrator. Thus arbitration is still subject to the courts.

- 5 Regulation 13 of the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations (Government Gazette 27636 of 30 May, 2005) requires that municipalities and municipal entities ensure that copyright in any document produced or the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of a consultancy service is vested in the municipality or entity.

C1.2 Contract Data for NEC3 Professional Services Contract (PSC)

<p>The conditions of contract are the NEC3 Professional Services Contract (June, 2005), copies of which may be obtained from the South African Institution of Civil Engineering (tel 011-805 5947) or Engineering Contract Strategies (tel 011 803-3008) and the following additional conditions:</p> <p>Part one - Data provided by the Employer</p> <p>1 General</p> <p>.....</p> <p>The Scope is in the document named Scope of Works</p> <p>.....</p> <p>9 Disputes and termination</p> <p>The <i>tribunal</i> is reference to South African Courts / arbitration.</p> <p>If the <i>tribunal</i> is arbitration, the arbitration procedure is the Rules for the Conduct of Arbitrations issued by the Association of Arbitrators (Southern Africa) by an Arbitrator to be mutually agreed by the Parties, and failing agreement, to be appointed by the Association of Arbitrators</p> <p>Part two - Data provided by the Consultant</p> <p>.....</p>	<p>Guidance notes</p> <p><i>The Contract Data should be compiled using the relevant pages of the NEC3 PSC and the Guidance notes and flow charts for the NEC3 PSC.</i></p> <p><i>When terms in the Conditions of Contract are shown in italics it means the term is identified in this Contract Data. Hence the data will not mean anything unless read in conjunction with the Conditions of Contract.</i></p> <p><i>Others should only be used with extreme caution and after close examination of the relationship with existing clauses.</i></p>
---	---

Note: No mediation procedure has been suggested for use with the NEC as the culture and structure of the document is framed around the use of adjudication.

Document
number

C1.3

Title

Adjudicator's Agreement

**Function and
broad outline of
contents**

This document provides the basis by which the parties to contract may appoint an adjudicator.

Notes

The requirements for the Adjudicator's Agreement flow out of the specific form of contract that is adopted and the manner in which the adjudicator is appointed.

The Adjudicator's Agreement is not required where mediation is selected as the means for resolving disputes.

Commentary:

1 Construction Procurement Practice Guide # C3: Adjudication provides an overview of what adjudication is, presents the principles underpinning adjudication, reviews the provisions for adjudication in standard forms of contract (NEC and CIDB), outlines an approach for the selection and use of adjudicators, and provides sample clauses and proforma agreements to be included in procurement documents. All documents labeled as being C1.4 are based on the proforma agreements contained in this guide.

2 Clause F.3.17 (Complete adjudicator's contract) contained in the Standard Conditions of Tender reads as follows:

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

Accordingly, this agreement is signed where the adjudicator is named in the contract. (See Annexure 4 of the Guide for the different ways in which an adjudicator is to be appointed.)

C1.3 CIDB ADJUDICATOR'S AGREEMENT

(for use with the CIDB Standard Professional Services Contract)

This agreement is made on the day of between:

..... (name of company / organisation)

of

..... (address) and

..... (name of company / organisation)

of

..... (address)

(the Parties) and

..... (name)

of

..... (address)

(the Adjudicator).

Disputes or differences may arise/have arisen* between the Parties under a Contract dated

and known as

and these disputes or differences shall be/have been* referred to adjudication in accordance with the CIDB Adjudication Procedure, (hereinafter called "the Procedure") and the Adjudicator may be or has been requested to act.

* Delete as necessary

IT IS NOW AGREED as follows:

- 1 The rights and obligations of the Adjudicator and the Parties shall be as set out in the Procedure.
- 2 The Adjudicator hereby accepts the appointment and agrees to conduct the adjudication in accordance with the Procedure.
- 3 The Parties bind themselves jointly and severally to pay the Adjudicator's fees and expenses in accordance with the Procedure as set out in the Contract Data.
- 4 The Parties and the Adjudicator shall at all times maintain the confidentiality of the adjudication and shall endeavour to ensure that anyone acting on their behalf or through them will do likewise, save with the consent of the other Parties which consent shall not be unreasonably refused.
- 5 The Adjudicator shall inform the Parties if he intends to destroy the documents which have been sent to him in relation to the adjudication and he shall retain documents for a further period at the request of either Party.

SIGNED by: _____

Name: _____

who warrants that he / she is duly authorised to sign for and on behalf of the first Party in the presence of

SIGNED by: _____

Name: _____

who warrants that he / she is duly authorised to sign for and behalf of the second Party in the presence of

SIGNED by: _____

Name: _____

the Adjudicator in the presence of

Witness _____

Name: _____

Address: _____

Witness: _____

Name _____

Address: _____

Witness: _____

Name: _____

Address: _____

Date: _____

Date: _____

Date: _____

Contract Data

1	The Adjudicator shall be paid at the hourly rate of R. in respect of all time spent upon, or in connection with, the adjudication including time spent travelling.
2	The Adjudicator shall be reimbursed in respect of all disbursements properly made including, but not restricted to: (a) Printing, reproduction and purchase of documents, drawings, maps, records and photographs. (b) Telegrams, telex, faxes, and telephone calls. (c) Postage and similar delivery charges. (d) Travelling, hotel expenses and other similar disbursements. (e) Room charges. (f) Charges for legal or technical advice obtained in accordance with the Procedure.
3	The Adjudicator shall be paid an appointment fee of R. This fee shall become payable in equal amounts by each Party within 14 days of the appointment of the Adjudicator, subject to an Invoice being provided. This fee will be deducted from the final statement of any sums which shall become payable under item 1 and/or item 2 of the Contract Data. If the final statement is less than the appointment fee the balance shall be refunded to the Parties.
4	The Adjudicator is/is not* currently registered for VAT.
5	Where the Adjudicator is registered for VAT it shall be charged additionally in accordance with the rates current at the date of invoice.
6	All payments, other than the appointment fee (item 3) shall become due 7 days after receipt of invoice, thereafter interest shall be payable at 5% per annum above the Reserve Bank base rate for every day the amount remains outstanding.

* Delete as necessary

C1.3 Adjudicator's appointment for use in NEC3 Professional Service Contract

This agreement is made on the day of between: (name of company / organisation) of (address) and (name of company / organisation) of (address) (the Parties) and (name) of (address) (the Adjudicator).	
1 The Parties appoint the Adjudicator in accordance with the conditions of contract NEC3 Adjudicator's Contract and the Contract Data attached to this agreement.	
2 The Adjudicator accepts this appointment and undertakes to carry out the Adjudicator's duties as described in the conditions of contract.	
Signed jointly on behalf of the Parties by:	
(Signature:)	
Name	
Position	
who warrants that he/ she is duly authorized to sign on behalf of	
and	
(Signature:)	
Name	
Position	
on behalf of	
and signed by the Adjudicator	
(Signature:)	

NEC3 Adjudicator's Contract

Contract Data

	Guidance notes
The <i>contract between the Parties</i> is	Insert the title of the main contract/ contract for which the adjudicator is required
The <i>period of retention</i> is weeks.	Insert period.
The <i>law of the contract</i> is the law of South Africa	Item completed.
The language of this contract is English	Item completed.
The amount of advance payment is	Insert amount
The Adjudicator's <i>fee</i> is per hour excluding value added tax.	Insert fee. (Fee also applies to hours spent traveling etc See Clause 3.1)
The <i>interest rate</i> is% per annum above the prime rate of	Insert percentage and name of Bank.
The <i>currency of this contract</i> is the South African Rand.	Item completed.
The Adjudicator's appointment terminates on..... (date)	Insert date. (Intended to be (say) a year after the end of the contract between the Parties.)
The period for payment of invoices, if it is not three weeks, is weeks	The default payment period is three weeks. If otherwise, state here. Delete row if not required.
The following additional conditions shall apply to this contract:	Insert if required (optional)
1 The Adjudicator may ask for any additional information from the Parties to help him in carrying out his work. The Parties provide the additional information within two weeks of the Adjudicator's request.	This additional condition has been found useful from experience. Delete row if not required.
2	Other additional conditions may need to be added, particularly if the adjudicator requires payment at intervals during adjudications for which extended time periods for submission and his decision have been agreed, or if he requires payment before he provides his decision. Delete row if not required.

Part C2: Pricing data

Title Pricing Instructions

Function and broad outline of contents Provides the criteria and assumptions which it will be assumed (in the contract) that the tenderer has taken into account when developing his prices, or target in the case of target and cost reimbursable contracts.

Notes The Standard for Uniformity in Construction Procurement does not have any requirements for Pricing Instructions.

Commentary:

1 The pricing data comprises the pricing instructions and the pricing schedules. The pricing instructions describe the criteria and assumptions which will be assumed in the contract that the tenderer has taken into account when developing his prices, or target in the case of cost reimbursable contracts. The pricing schedule records the service provider’s / consultant’s prices for providing the works in accordance with the requirements of the scope of work.

The tenderer’s obligations in pricing the tender offer and the employer’s undertakings in the checking and correction of arithmetical errors are dealt with in the Standard Conditions of Tender.

It should be noted that the Standard Conditions of Tender address issues such as the inclusion of taxes in the rates (F2.10.1), the indicating of VAT as a separate item (F.2.10.2), currency for the rates and prices (F2.10.4), completion of documents in black ink (F.2.13.2), and the correction of arithmetical errors (F.3.9).

2 The terms of payment and the provisions for price adjustment for inflation, if applicable, are established in the contract data. These items should not be described in the pricing data.

2 The pricing data must reflect the selected pricing strategies. Commonly encountered pricing strategies for professional services include:

Type of contract	Recommended usage	Advantages / disadvantages
Lump sum (fixed price) contract Payment is linked to outputs (deliverables).	Use in assignments where the content and duration of the services and the required outputs are clearly defined.	Contracts are easy to administer as they are linked to deliverables.
Time-based contract Payment based on agreed hourly, weekly or monthly rates for staff named in the contract and on agreed rates and reimbursable items . Typically, a ceiling amount is provided.	When it is difficult to define the scope and length of services	Time-based payments need to be closely monitored and administered to ensure that the assignment is progressing satisfactorily and payments claimed are appropriate.
Percentage contract Based on the estimated or actual project construction cost or the cost of goods inspected or procured.	For architectural or engineering services relating to the built environment or to services relating to procurement and inspection agents	Implicitly lacks incentives for economic design in architectural and engineering services.
Indefinite Delivery Contract (Price agreement) Unit rates are agreed. Payment based on time actually used.	Where consultants are required on call in respect of specialized services, the extent and timing of which cannot be defined in advance, normally for a period of a year	

4 There are four basic pricing strategies NEC3 Professional Services Contract (PSC), viz:

- Options A (Priced contract with activity schedule) and C (Target contract) require the *Consultant* to prepare and price an 'Activity Schedule'.
- Option E (time based) requires the Consultant to forecast the total Time Charge and expenses for the whole of the service.
- Option G (term contract) requires the *Consultant* to prepare and price a 'Task Schedule'.

Compilers are referred the NEC3 Professional Services Contract (PSC3) Guidance Notes and Flow Charts for full details of how the PSC works.

The provisions of the PSC require that the Consultant Provides the Services in accordance with the Scope (core clause 21.1). 'Provide the Services' is a defined term (core clause 11.2(9)) and embraces all things necessary and incidental to completing the *services*.

There is no provision in the PSC for the *Consultant* to be paid on the basis of a percentage of the cost to the *Employer* of the construction works carried out by others.

Options A and C require a priced Activity Schedule

Notes:

- 1 Generally it is the Consultant who prepares the Activity Schedule as part of his tender by breaking down the work described within the Scope into suitable activities which can be well defined, priced as a lump sum and shown on the programme. The Employer, in his Conditions of Tender or in a Tender Schedule, may have listed some items that he requires the Consultant to include in his Activity Schedule and be priced accordingly. If the services are not well defined or typical based on other applications, then Option A should not be used. Instead option C (or E, which is a time-based contract), should be specified.
- 2 The Prices are defined in clause 11.2(18) as the lump sum for each activity in the Activity Schedule and the Price for Services Provided to Date (PSPD) (the amount due to the consultant) is defined in clause 11.2(15) in Option A as the total of the Prices for each activity that has been completed. Hence activities in the Activity Schedule for an option A contract should be structured so as to provide an acceptable monthly cash flow as they are only assessed for payment on the assessment date if they have been completed.
- 3 The Price for Services Provided to Date in Option C (11.2(16)) is different as the consultant is paid on the basis of tendered staff rates multiplied by time applied for each staff member. At the end of the contract the total of the Prices in the tendered Activity Schedule is compared with the total amount paid, and the difference is shared in accordance with a formula stated in the Contract Data.
- 4 In the case of Option A, if the Consultant has decided not to identify a particular activity, the cost to the Consultant of doing the work must be included in, or spread across, the other Prices in order to fulfill the obligation to complete the services for the tendered total of the Prices.
- 5 There is no adjustment to the lump sum Activity Schedule price if the amount, or quantity, of work within that activity later turns out to be different to that which the consultant estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.
- 6 However, the Consultant does not have to allow in his Prices for matters that may arise as a result of a compensation event. Adjustment of the Prices for inflation would only apply if secondary option X1 is included in the contract.
- 7 In the payment clauses, the amount due to the *Consultant* is stated as
 - the Price for Services Provided to Date plus
 - payment for *expenses* properly spent in Providing the Services as stated in the Contract Data and
 - other amounts to be paid to the *Consultant* less amounts to be retained from the *Consultant*.
- 8 Hence, unless the *Employer* states in Conditions of Tender that he requires expenses to be included within the Activity Schedule Prices (and has provided an additional condition of contract in Option Z to change the above wording), the *expenses* listed and rate priced in the Contract Data are paid at the rates stated in the Data as and when incurred.
- 9 An Activity Schedule could have the following format:

Item No.	Programme Reference	Activity description	Price

Option G requires the Consultant to prepare and price a Task Schedule.

Notes:

- 1 Option G will be used when an *Employer* requires to have a contract with a *Consultant* for a specified term for work probably not yet specified, or specified but only needed on an intermittent basis, such as a geotechnical investigation service for various projects that may arise during the term of the contract, or advisory services of a specified nature on an ad hoc basis.
- 2 Hence the Task Schedule is a schedule of rates (a shopping list) of people and other resources likely to be used by the *Consultant* when work is carried out. Clearly such a schedule could include the use of special equipment (plotters, etc) or subconsultants or subcontractors.
- 3 The Price for Services Provided to Date is, for each Task, the total of:
 - The Time Charge for work which has been completed on time based items on the *Task Schedule* and
 - A proportion of the lump sum price for each item on the *Task Schedule* that is a proportion of the work completed on that item.
- 4 Hence the *Consultant* is paid on a cost reimbursable basis at the rates stated in the Task Schedule for the period (term) of the contract. Changes to the rates in the schedule can arise from compensation events, and adjustments for inflation would apply if secondary option X1 is included.
- 5 Pricing Data is defined in the CIDB Standard Professional Services Contract as *data that establishes the criteria and assumptions that were taken into account when developing the Contract Price and the record of the components that make up of the Contract Price*. Clause 14 states that *the Employer shall remunerate and reimburse the Service Provider for the performance of the Services as set out in the Pricing Data*.

Clause 14 also provides some default provisions.

This form of contract accordingly allows the employer to specify remuneration in the pricing data in a number of ways including:

- Lump sum for each activity to be provided,
- Percentage fee based on the value of works to be constructed by others,
- Hourly rates, or
- Reference to published remuneration guidelines.

Note: Tenderers may be required to tender a percentage up or down of a guideline tariff of fees.

Example Pricing Instructions	
1	The Consultant is to allocate an approximate budget to each activity in the activity schedule.
2	All activities must be invoiced on a monthly basis, based on the actual hours spent on the activity.
3	Payment will be based on the actual hours spent on such activities provided that reasonable progress towards the completion of the activity within the estimated budget is demonstrated.
4	The budget allocated to each activity and the total of prices for the activities shall not exceed 15% without the written agreement of the Employer.

C2.1 Pricing Instructions

	<p>Guidance notes</p> <p><i>Develop pricing instructions around the pricing strategy that is adopted and the method of measurement, if any that is adopted. (See examples)</i></p>
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C2.2 Activity Schedules / Schedules of Prices

	<p>Guidance notes</p> <p><i>Develop suitable schedules. (See examples)</i></p>
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Part C3: Scope of work

Function and broad outline of contents Specifies and describes the services which are to be provided and any other requirements and constraints relating to the manner in which the contract work is to be performed.

Notes

The Standard for Uniformity in Construction Procurement requires that where quality is addressed in the scope of work (see sub-clause 4.3), it may be done so by:

- a) specifying the requirements fully and unambiguously; or
- b) requiring tenderers to submit plans for monitoring and applying quality management principles in the performance of their contracts.

The Standard also requires in 4.4.7.1 that *the scope of work shall, wherever possible be:*

- a) *described in terms of performance rather than the design or descriptive characteristics, and*
- b) *based on national or international standards, where such exist.*

Commentary

1 Quality measures must not promote captive markets and should result in quality that is appropriate to comply with user requirements as opposed to the best quality available.

2 The requirements for the scope of work to be described in terms of performance rather than the design of descriptive characteristics and to be based on national or international standards, where such exist, is in accordance with international best practice and aligns with South Africa's undertakings to the World Trade Organisation regarding technical barriers to trade. It should be noted that recently published Supply Chain Management Regulations issued in terms of the Municipal Finance Management Act, 2003, require that specifications:

- (a) *must be drafted in an unbiased manner to allow all potential suppliers to offer their goods and services;*
- (b) *must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognized by the South African, or an authority accredited or recognized by the South African National Accreditation System, with which the equipment or material or workmanship should comply;*
- (c) *where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;*
- (d) *may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labeling or conformity certification;*
- (e) *may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the words equivalent".*

3 SANS 10403 suggests that the following topics be addressed in a scope of works:

TOPIC	COMMENTARY
Client's / employer's objectives	Describe the client's / employer's objectives for the services.
Description of the services	Provide a short description of the services and outline what the consultant is to provide.
Extent of the services	Provide a brief outline of the extent of services and key deliverables, as appropriate.
Use of reasonable skill and care	Identify the work for which the consultant is required to exercise reasonable skill and care.
Co-operation with other services providers	Identify other service providers on the project and establish how interactions are to take place.
Brief	State, as necessary; a) terms of reference; b) time frames for deliverables / milestone dates; c) place(s) for the performance of specific tasks; and d) reporting requirements.
Reference data	State the reports, surveys, agreements, etc upon which the service provider is to base his brief, if any.
Applicable national and international standards	List all applicable national, regional and international standards and all values pertaining to specific attributes relating thereto.
Particular/Generic specifications	Attach or make reference to particular (purpose written) or generic (standard inhouse) specifications (purpose written for the project or specifications of the procuring department or professional associations) which are applicable to the services.
Approvals	Identify all those parties from whom the consultant has to obtain approvals and outline the procedures that are to be followed.
Procurement	State requirements appropriate to the methodology and procedures that are to be followed. (See Annex A of SANS 10396) Make reference to Preference Schedules, if any. State the number, title and edition of SANS 1914 series of resource specifications applicable to the contract and all data and definitions required e.g. definitions of target groups, weighting factors, etc. (Refer to SANS 10396 for specific guidance) State the variations, if any, to the SANS 1914 resource specification.
Access to land / buildings / sites	Describe arrangements for access to land / buildings / sites and any restrictions relating thereto.
Planning and programming	State requirements for format of programme, level of detail, critical path activities and their dependencies, frequency of updating, key dates, etc. Provide particulars of phased completion, programme constraints, milestone dates for completion etc., as necessary. List the activities to be carried out by the employer/client or by others which are to be included in the consultant's programme.
Software application for programming	State any requirements.
Quality management	Briefly describe - what quality management systems the consultant will be required to operate

TOPIC	COMMENTARY
	- the intention of the employer / client in terms of the monitoring of quality management, who will carry out such monitoring (employer / client or agent) and if the monitoring forms part of a quality management system or will require only an occasional verification.
Format of communications	State formats of different types of communications and attach pro formas of such documents to the end of the Scope of Works. Also state requirements for the format of documents which are to be retained, eg microfilm, computer tapes / CDs or original form.
Key personnel	State requirements for a schedule of key personnel / schedule of contact particulars of key personnel, if required, and state when the schedule is to be submitted. Attach pro formas of such documents to the end of the Scope of Works.
Management meetings	Provide particulars of times, days, location, attendance requirements, etc., as required, and state requirements for representatives having the necessary delegated authority.
Forms for contract administration	State requirements, if any, for use of standard forms for contract administration purposes and attach pro formas of such documents at the end of the Scope of Works. Also state if forms are available in electronic format.
Electronic payments	State details required / procedures to obtain electronic payments, as relevant.
Daily records	State requirements for daily records of time spent.
Professional indemnity insurances	State number of copies and the place where policies are to be presented.
Payment certificates	State requirements for substantiation of claims in payment certificates to expedite verification and certification by employer's / client's representative.
Use of documents by the employer	State the purpose for which the employer / client will be using any documents provided by the consultant e.g., construction, maintenance, extension, rebuilding, etc.
Property provided for the Consultant's use	List all property to be provided by the employer / client and others for the consultants use.
Proof of compliance with the law	State specific documents / methods by which compliance with any legislation is to be verified, as necessary.
ANNEXES	
List by title	Provide data sheets, completed returnable schedules, pro forma documents, particular specifications, drawings, sketches etc. which are referred to in this document.

C3 Scope of Work

	Guidance notes <i>Develop suitable content</i>
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