

**REFERENCE: RFP 04/2022B**

**REQUEST FOR PROPOSAL**

**DESCRIPTION:**

APPOINTMENT OF SERVICE PROVIDERS FOR THE PROVISION OF  
UNARMED GUARDING SECURITY SERVICES

**DATE ISSUED: 17 June 2022**

**CLOSING DATE: 18 July 2022 at 11:00am**

**TENDER BOX:**

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## 1. INTRODUCTION

The South African Revenue Service (SARS) is uniquely placed to contribute to the government's plan of action to address socio-economic growth and development, poverty alleviation and job creation. Through the vital role of providing the revenue to fund the full spectrum of initiatives, plans, programmes and strategies of national and provincial government departments, SARS plays a crucial enabling role for government service delivery.

## 2. OVERVIEW OF SARS

### Our Mandate

The SARS Act, 1997, enables SARS to:

- Collect all revenue due;
- Ensure optimal compliance with Tax and Customs legislation; and
- Provide a Customs service that optimises revenue collection, protect our borders and facilitate legitimate trade.

The primary legislation that SARS administers includes:

- Income Tax Act, 1962;
- Customs and Excise Act, 1964;
- Value-Added Tax Act, 1991;
- Tax Administration Act, 2011; and
- Employment Tax Incentive Act, 2013.

### SARS Higher Purpose

Our work enables Government to build a capable State, to foster sustainable economic growth and social development that serves the wellbeing of all South Africans.

### Our Strategic Intent

Our mandate is to collect all revenue due; ensure optimal compliance with tax and customs legislation; provide a customs service to optimise revenue, border protection and facilitate legitimate trade. To give effect to our mandate, our Strategic Intent is to develop a Tax & Customs system based on Voluntary Compliance.

## **Our Vision**

It is our Vision to build a smart modern SARS with unquestionable integrity that is trusted and admired.

## **Our Mission**

To optimise revenue yield, to facilitate trade and to enlist new tax contributors by promoting awareness of the obligation to comply with tax and customs laws, and to provide a quality, responsive service to the public.

## **Our Strategic Objectives**

In support of our Strategic Intent and to give effect to our compliance philosophy, we have identified and committed to achieving nine (9) Strategic Objectives to guide and inform our efforts and decisions and focus our resources over the course of this planning cycle. Our nine (9) Strategic Objectives are as follows:

- Provide Clarity and Certainty for taxpayers and traders of their obligations;
- Make it easy for taxpayers and traders to comply with their obligations;
- Detect taxpayers and traders who do not comply, and make non-compliance hard and costly;
- Develop a high performing, diverse, agile, engaged and evolved workforce;
- Increase and expand the use of data within a comprehensive knowledge management framework to ensure integrity, derive insight and improve outcomes;
- Modernise our systems to provide digital and streamlined online services;
- Demonstrate effective resource stewardship to ensure efficiency and effectiveness in delivering quality outcomes and performance excellence;
- Work with and through stakeholders to improve the tax ecosystem; and
- Build public trust and confidence in the tax administration system.

## **Our Values**

Endeared by a sense that we serve a Higher Purpose in the service of South Africans, and committed to the fulfilment of our Mission & Mandate, we hold the following values dear:

- Uncompromising regard for Taxpayer Confidentiality;
- Unquestionable Integrity, Professionalism and Fairness;
- Exemplary Public Service; and
- Incontestable insights from Data and Evidence.

## **Our Core Outcomes**

Increased Customs and Excise compliance  
Increased tax compliance  
Increased ease and fairness of doing business with SARS  
Increased cost effectiveness and internal efficiencies  
Increased public trust and credibility

### **3. PURPOSE AND BACKGROUND OF THIS REQUEST FOR PROPOSAL (RFP)**

#### **3.1. PURPOSE**

The objective of these requirements is to appoint security service provider(s) who are capable to identify and mitigate security risks through the deployment of properly trained Security officers in the security field to maximize the protection of SARS personnel, assets and its facilities. It is within this context that the service providers must comply with the following aspects:

- 3.1.1. Be registered as a security service provider with the Private Security Industry Regulatory Authority (PSIRA);
- 3.1.2. Deliver a quality and professional security service;
- 3.1.3. Provide back-up service/s in cases of emergency, without deviation from the Master Services Agreement ("MSA");
- 3.1.4. Provide properly trained and registered security officers, as per the PSIRA requirements;
- 3.1.5. Provide honest and properly screened security personnel;
- 3.1.6. Professionally manage Security officers deployed at all SARS Sites; and
- 3.1.7. Assume full liability for direct damages, as well as indirect / consequential / special damages incurred by SARS due to the malicious, intentional, fraudulent, reckless or grossly negligent acts or a breach of the confidentiality provisions of the MSA by the contracted service provider/s.

#### **3.2. BACKGROUND**

The South African Revenue Service (SARS) has approximately one hundred and ten (110) offices (SARS Sites) nationally. The protection of SARS's assets, people, and general physical security at SARS Sites is of pivotal importance due to the nature of the operations and activities of SARS. The successful security service providers(s) will be required to provide guarding services to SARS Sites in the region(s) they are appointed in. For logistical reasons and management of the Services, SARS divided the SARS Sites into three (3) regions as

shown in the table below.

Table 3A

|                 |  |
|-----------------|--|
| <b>Region A</b> | <ul style="list-style-type: none"> <li>• Gauteng North</li> <li>• Limpopo and Mpumalanga Provinces excluding Standerton,</li> </ul>  |
| <b>Region B</b> | <ul style="list-style-type: none"> <li>• North West and Free State Provinces, including Kimberley</li> <li>• Gauteng South, including Standerton</li> </ul>                          |
| <b>Region C</b> | <ul style="list-style-type: none"> <li>• KwaZulu-Natal Province</li> <li>• Western Cape and Northern Cape Provinces, excluding Kimberley</li> <li>• Eastern Cape Province</li> </ul> |

The list of SARS regional requirements is incorporated into the Pricing Schedule, which is attached hereto as Annexure D2. During the period of the contract, SARS reserves the right to add or withdraw a site within a region and/or reduce or increase the number of security personnel in a particular site within a region in line with operational requirements. The service delivery model entails the rendering effective security service to SARS for the duration of the contract and provide a comprehensive solution aimed at mitigating risks against SARS personnel, assets and its facilities.

The successful security service provider(s) will be required to perform or deliver the security services on a twenty-four (24) hours basis, 7 days a week, 365 days a year for a period referred to in paragraph 6 of this document, provided that SARS shall have the absolute right, to be exercised in its sole discretion, to vary the service coverage hours of the Services being rendered. In such event, the successful security service provider/s shall reduce the number of security officers in accordance with the changed business requirements.

The SARS National Security Management Unit (NSMU) will co-ordinate the management of the security services at the national level. The successful security service provider(s) will be accountable nationally to the SARSs' NSMU, notwithstanding performing the Services at regional level, and operationally reporting to a SARS Authorised Representative or his/her appointed delegate. SARS will determine the policies, procedures and standards applicable to the physical and safety requirements of SARS. The SARS business requirements are listed below, including objectives.

#### **4. LEGISLATIVE METHODOLOGY OF THE BID**

##### **4.1. TAX LEGISLATION**

When submitting a bid to SARS, Service Provider(s) must be compliant and remain compliant with all applicable tax legislation for the entire contract term, including but not limited to the Tax Administration Act, 2011 (Act No. 28 of 2011), Income Tax Act, 1962 (Act No. 58 of 1962) and Value-Added Tax Act, 1991 (Act No. 89 of 1991).

##### **4.2. PROCUREMENT LEGISLATION**

SARS has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and the Preferential Procurement Regulations, 2017 and the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended.

##### **4.3. TECHNICAL LEGISLATION AND/OR STANDARDS**

Service Provider(s) should be cognisant of all legislation and standards specifically applicable to the services.

#### **5. BRIEFING SESSION**

A non-compulsory virtual briefing session will be facilitated. The date and time are contained in Table 1. Bidders can join using the following link:

[Click here to join the meeting](#)

#### **6. DURATION OF CONTRACT**

The duration of the contract will be 36 months.

#### **7. TIMELINE OF THE BID PROCESS**

The **validity period** of the tender and the withdrawal of offers, after the closing date and time, is one hundred and eighty (180) days.

The project timeframes of this Bid are set out below:

**Table 7A: Timelines**

| Activity   | Date Due                     |
|--|------------------------------|
| Distribution of Bid documents to Bidders               | 17 June 2022                 |
| Questions relating to the bid from Service Provider(s) | 24 June 2022 to 07 July 2022 |
| Non-compulsory Briefing Session Date                   | 24 June 2022 @11h00 to 13h00 |
| Bid Closing Date                                       | 18 July 2022 at 11:00am      |
| Notice to Service Provider(s)*                         | Sep/Oct* 2022                |
| Contract Commencement date                             | Nov/Dec* 2022                |

\*Dates subject to change

All times and dates in this bid are based on South African Standard Time.

Any time or date in this bid is subject to change at SARS's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of SARS to take any action or create any right in any way for any Bidder to demand that any action be taken on the date established. The Service Provider accepts that, if SARS extends the deadline (the Closing Date) for bid submissions for any reason, the requirements of this bid shall apply equally to the extended deadline.

## 8. CONTACT

A nominated official of the Service Provider(s) can make enquiries in writing, to the specified person, Mr Andre Taljaard (Procurement Tender Office) via email at [tenderoffice@sars.gov.za](mailto:tenderoffice@sars.gov.za). Service Providers must reduce all telephonic enquiries to writing and send them to the above email addresses.

## 9. SCOPE OF WORK/SPECIFICATION/BUSINESS REQUIREMENTS

The Bid specifications stated in this document are minimum specifications. Notwithstanding any shortcomings or omissions in these specifications, it will be expected of the successful Bidder(s) to deliver a viable, complete and fully functional solution.

### 9.1 Scope of Work

Successful Bidder(s) will be required to provide the following Services in a diligent manner-



- 9.1.1 Deploy Security officers to SARS Sites, who are certified in terms of applicable legislation especially the PSIRA;
- 9.1.2 Physical guarding of SARS's premises, assets and buildings, as prescribed by SARS;
- 9.1.3 On-site patrolling of SARS's buildings and premises at specified sites;
- 9.1.4 Monitor security systems at designated SARS control rooms;
- 9.1.5 Operate security tools and equipment provided by SARS;
- 9.1.6 Effectively respond to Emergencies;
- 9.1.7 The detection of and response to Security Incidents;
- 9.1.8 Record, investigate and report Security Incidents and recommend solutions within prescribed timeframes;
- 9.1.9 Provide daily, weekly and monthly reports outlining Security Incidents and Emergencies, per SARS Site. The daily, weekly and monthly reports must be submitted to the SARS Authorised Representative or his/her appointed delegate;
- 9.1.10 Develop and implement security plans in line with SARS policies, procedures and standards;
- 9.1.11 Conducting proactive and reactive site risk assessments in line with SARS's operational requirements for submission to the SARS Authorised Representative or his/her appointed delegate; and
- 9.1.12 The successful service provider must ensure that security officers deployed at SARS sites are rotated on an annual basis or as and when requested by SARS based on identified security risk.

The services described above shall collectively be referred to as "the Services", for the purposes of the business requirements.

## 9.2 Service Coverage Hours

The Services MUST be provided on a 24 hours, 7 days a week and 365 days a year or as agreed: Provided that SARS shall have the absolute right, to be exercised in its sole discretion, to vary the service coverage hours of the Services. In such event, the successful security service provider(s) shall reduce the number of Security officers and its fees in accordance with the changed requirements of SARS.

## 9.3 Security Vetting Prior to Appointment to Deliver the Services

The award of a bid is conditional on the shortlisted successful security service provider(s) passing security vetting by SARS.

#### 9.4 Continuous Security Vetting Requirements

- 9.4.1 SARS reserves the right at its sole and absolute discretion to do a security check (vetting) on the successful security service provider(s), its Directors and Personnel involved with the performance of the Services.
- 9.4.2 The successful security service provider(s) will obtain from its Security officers deployed at SARS Sites such consents and documentation as may be reasonably requested by SARS, to enable SARS to conduct such security checks as aforementioned.
- 9.4.3 Security vetting shall include, but not be limited to, checks on criminal records, credit references and identity documents.
- 9.4.4 Where SARS, in its sole discretion, finds any of the successful security service provider(s)' Personnel to be a security risk, SARS will inform the successful security service provider(s) accordingly in writing and the successful security service provider(s) will be required to immediately remove such Personnel.
- 9.4.5 Failure to effect such a replacement of the successful security service provider(s)' personnel, with a suitably trained and equally graded substitute within a period of twelve (12) hours after having been so informed by SARS, will constitute a Performance Failure.
- 9.4.6 Despite the above, the successful security service provider(s) must ensure that prior to commencement of employment the successful security service provider(s)' personnel undergo security vetting, which must include the checks listed on the business requirements.
- 9.4.7 The successful security service provider(s) shall conduct a criminal status screening of its Security officers deployed at SARS annually, and SARS may at any time verify the results of such security vetting.

#### 9.5 Successful Service Provider(s)' Personnel

The successful security service provider(s) shall ensure that every Security Officer assigned to provide the Services at a SARS Site, complies with the following requirements:

- 9.5.1 Relevant Registration, Certification and Identification Cards.
- 9.5.2 All security officers must be registered with PSIRA.
- 9.5.3 All security officers must have a working knowledge of evacuation procedures in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).
- 9.5.4 The successful security service provider(s) must issue an Identification Card to Security officers deployed at SARS Sites containing as a minimum, the name, surname and PSIRA registration number of the relevant security officer.

- 9.5.5 All security officers must always wear their Identification Cards, or any SARS issued Identification Card, in a clear and visible manner.

## 9.6 Uniforms

- 9.6.1 Security officers must wear an appropriate uniform at all times whilst performing the Services at SARS Sites.
- 9.6.2 The successful security service provider(s) must issue sufficient uniforms (a minimum of 3 sets per posting / duty roster) to ensure security officers are presentable at all times, without recovering the uniform costs from the security officers.
- 9.6.3 The uniforms of the security officers must be clean and worn properly at all times.

## 9.7 Training

The successful security service provider(s) must ensure that-

- 9.7.1 All Personnel must undergo an induction and refresher training program on SARS policies, procedures and site procedures before deployment;
- 9.7.2 All Personnel must undergo and attend refresher courses on basic security, as prescribed by PSIRA; and
- 9.7.3 All training and induction must be recorded and signed by the Security officers in the Occurrence Book, as well as the SARS Site Management File.

## 9.8 Acts that are Prohibited Whilst on Duty

The successful security service provider(s)' security officers must not-

- 9.8.1 Consume alcohol, take illegal drugs, or possess such substances whilst on duty;
- 9.8.2 Report for duty whilst under the influence of any intoxicating substance;
- 9.8.3 Sleep whilst on duty;
- 9.8.4 Leave a post unattended without the superior's permission;
- 9.8.5 Fight on site and argue without reason in view of SARS's employees or visitors;
- 9.8.6 Be dishonest at any time during the contract term;
- 9.8.7 Commit a Security Incident;
- 9.8.8 Aid and/or abet in the commission of a Security Incident;
- 9.8.9 Use or remove SARS's equipment without permission;

- 9.8.10 Use unauthorised electronic devices or illegal electronic connections;
- 9.8.11 Allow access to SARS Sites without authority by-
  - 9.8.11.1 Using a Security Officer's access card to allow access when a SARS employee or visitor does not possess an access card;
  - 9.8.11.2 Opening a door physically, allowing access without querying the identification of the person entering; and
  - 9.8.11.3 Failing to report an item carried by a person which obviously requires authority e.g. Weapons, laptop computers.
- 9.8.12 Reading SARS's Confidential Information and/or Taxpayer Information.

## 9.9 Management Responsibilities

Management and supervisors of the successful bidder(s) must ensure the following:

- 9.9.1 All security officers assigned at SARS Sites are properly trained, fit-for-purpose, reliable, of reputable background, of sound character and able to perform their duties;
- 9.9.2 Parades of security officers are conducted during each shift change and all handovers are done timeously without interruption of the Services;
- 9.9.3 Security officers must conduct handover reporting to the incoming shift without compromising security operations;
- 9.9.4 All Security officers deployed at SARS do not have criminal records;
- 9.9.5 All security officers conduct themselves in a disciplined and professional manner, as required by the Code of Conduct for Security Service Providers, 2003 and the successful security service providers' own Disciplinary Code and Procedures, whenever they are at a SARS Site. The successful security service providers shall take all necessary steps to ensure that its Personnel selected for assignment in terms of the MSA are trained;
- 9.9.6 All security officers, do not conduct themselves in a dishonest manner;
- 9.9.7 All security officers adhere to the dress code regulations, SARS safety and security policies, and post descriptions;
- 9.9.8 All security officers assigned to SARS Sites, are of the required security level grading;
- 9.9.9 The security officers are aware of all instructions issued by the relevant SARS Authorised Representative or his/her appointed delegate and it is recorded in both the Occurrence Book and instruction book, and signed by each Security Officer allocated to SARS Sites;
- 9.9.10 The security officers acquaint themselves with the contents of the Site Management File issued by the relevant SARS Authorised Representative or his/her appointed delegate;
- 9.9.11 Partially or uncovered shifts for Security officers are reported to a SARS Authorised Representative

or his/her appointed delegate immediately and that replacements are trained on SARS Site instructions and procedures;

- 9.9.12 The SARS Authorised Representative or his/her appointed delegate is advised in writing when security officers are removed from or leave a SARS Site for any reason whatsoever;
- 9.9.13 All security officers conduct personal searches within the confines of the law, and according to standard operating procedures and instructions;
- 9.9.14 Incident investigation reports are prepared and submitted to the relevant SARS Authorised Representative or his/her appointed delegate within four (4) hours of the Security Incident or Emergency occurring;
- 9.9.15 the successful security service provider(s)' personnel are available when a SARS Security Operations Centre makes contact regarding a Security Incident or Emergency at a SARS Site;
- 9.9.16 Security officers must respond to all triggered alarms at a SARS Site, immediately;
- 9.9.17 that all exceptions to SARS's requirements must be approved in writing by SARS, prior to their implementation.

#### 9.10 Invoice Principles to be Adhered To

SARS shall be invoiced the total monthly fee payable per region on or before the fifth (5th) day of the month following the month in which the successful security service provider(s) performed the Services;

- 9.10.1 Each invoice shall contain the description of security services rendered and any such details as may be reasonably requested by SARS from time to time;
- 9.10.2 Each invoice must be verified for completeness and accuracy and that it conforms to the requirements of the MSA, before issuing the invoice to SARS;
- 9.10.3 The successful security service provider must timeously issue all invoices to SARS for security services rendered from time to time;
- 9.10.4 Should SARS query an item in an invoice, the successful security service provider(s) shall within two (2) days after a written request by SARS, provide SARS with any other documentation or information reasonably required by SARS in order to verify the accuracy of the amounts due on an invoice; and
- 9.10.5 The amount of the financial penalties for Performance Failures, calculated with reference to Penalties attached as Annexure B1 and as confirmed by SARS pertaining to the prior months, must be credited to SARS by issuing a credit note.

## 9.11 Administration/Documents

The Management of the successful security service provider(s) must ensure that a copy of the personnel file of Security officers assigned to a SARS Site is always available to SARS prior to the deployment. In addition, a copy of the security officers' personnel files shall be provided and/or made available to SARS or any other lawful regulatory authority on demand, containing the following information. The personnel file must at a minimum contain the following-

- 9.11.1 Security training certificates, polygraph pre-employment results, integrity evaluation record and PSIRA registration certificates;
- 9.11.2 A copy of a grading certificate, performance history, copy of the security identification (PSIRA) and a certified copy of the identity document;
- 9.11.3 A completed SARS Oath / Affirmation of Secrecy form, copies of qualifications and a medical fitness certificate;
- 9.11.4 Disciplinary record, a record of pre-employment screening results and annual criminal status screening; and
- 9.11.5 A copy of all credit references.
- 9.11.6 Management Meetings
- 9.11.7 The successful security service provider(s) is expected to allocate a Contract Manager on a non-exclusive basis to SARS for operational matters.
- 9.11.8 The successful security service provider(s) must provide SARS with a monthly report containing a consolidated record of all Security Incidents and Emergencies at SARS Sites during a month on a template specified by SARS. The report will be validated and quality controlled by the Contract Manager.
- 9.11.9 The successful security provider(s)' Contract Manager and the relevant SARS Authorised Representative or his/her appointed delegate shall meet for a minimum of once a month or as and when required.
- 9.11.10 The successful security service provider(s)' Chief Executive Officer or his/her appointed senior delegate and SARS's Authorised Representative or his/her appointed delegate shall meet a minimum of once every six (6) months to discuss the overall performance of Services.
- 9.11.11 At the first meeting between the Parties they will agree on the place, the time and venue of subsequent meetings, and any proposed additions / amendments to the Standard Operating Procedures submitted by the successful security service providers, which shall include as a minimum: rostering / scheduling, dress code and code of conduct.
- 9.11.12 The successful security service provider(s) will be responsible for the correct recording of the meeting proceedings of the meetings envisaged under this paragraph and the keeping of minutes.

- 9.11.13 The successful security service provider(s) shall deliver the minutes and record of the meeting proceedings to SARS within two (2) Business Days after the date of the meeting or such shorter period as SARS may prescribe in its absolute discretion, for SARS's perusal and verification.
- 9.11.14 SARS may call an unscheduled meeting with the successful security service provider(s) or its Contract Manager to discuss any matter regarding the performance of Services, at its sole discretion.

#### **9.12 General Obligation for Security Service Provider(s)**

- 9.12.1 To ensure that security personnel are readily available whenever the SARS Authorised Representative or his/her appointed delegate require their deployment to render services;
- 9.12.2 Security personnel report Security Incidents and Emergency situations;
- 9.12.3 The successful security service provider(s) shall further comply with the following requirements-
  - 9.12.3.1 Ensure that Security Incidents and Emergencies at a SARS Site are fully recorded;
  - 9.12.3.2 Record the incident and immediately report the details of the incident, as relayed by the Security Officer at the SARS Site, to the relevant SARS Security Operations Centre including the following information:
    - 9.12.3.2.1 Date of incident;
    - 9.12.3.2.2 Details of the Security Officer who attended to the incident;
    - 9.12.3.2.3 Details of the control room officer the incident was reported to;
    - 9.12.3.2.4 Details regarding the findings of the Security Officer; and
    - 9.12.3.2.5 Occurrence Book number;
- 9.12.4 Prepare an incident report within four (4) hours after every incident for SARS's perusal. The incident report contain the following information-
  - 9.12.4.1 Date of incident;
  - 9.12.4.2 Details of the Security Officer who attended to the incident;
  - 9.12.4.3 Details and designation of the persons the incident was escalated to;
  - 9.12.4.4 Address of the SARS Site where the Security Incident or Emergency occurred;
  - 9.12.4.5 Details regarding the incident;
  - 9.12.4.6 Preliminary recommendations regarding the incident;
  - 9.12.4.7 An incident number; and
  - 9.12.4.8 Corresponding Occurrence Book number.
- 9.12.5 In respect of Security Incidents, the successful security service provider(s) shall-
  - 9.12.5.1 Ensure that Security Incidents at a Site involving any damage to or loss of property or potential damage to or loss of property are fully investigated; and
  - 9.12.5.2 Submit the full investigation report to the SARS Authorised Representative or his/her



delegate within one (1) day of the Security Incident or such shorter time as SARS may prescribe, in its absolute discretion.

#### **9.13 Occurrence Books Maintenance**

The successful security service provider(s) shall further comply with the following requirements-

- 9.13.1 The successful security service provider(s) shall acquire and keep a logbook ("Occurrence Book") at each and every SARS Site and accurately record therein as per SARS requirements, as well as all activities performed by the security officers on site, including the times when the activities were performed;
- 9.13.2 All patrols must be recorded in the Occurrence Book and entries made detailing what was observed during the patrol, per patrol pattern / plan on site;
- 9.13.3 All Occurrence Books at SARS Sites must be assigned a serial number, per SARS Site, and once completed shall be stored by the successful security service provider(s) for the duration of the contract term. Subsequent Occurrence Books, per SARS Site, shall be assigned a sequential serial number; and
- 9.13.4 SARS shall have access to all Occurrence Books, upon request, and all Occurrence Books shall become the property of SARS on termination of the MSA.
- 9.13.5 All stationery in relation to the Security officers' duties must be provided by the successful security service providers.

#### **9.14 Site Visits by Supervisors and Management**

The successful security service provider(s) must ensure that its security personnel designated as supervisors and/or managers conduct the following site visits at various SARS facilities:

- 9.14.1 Manager - day shift  
Eight (8) site visits per month;
- 9.14.2 Manager - night shift  
Eight (8) site visits per month;
- 9.14.3 Supervisor - day shift  
Thirty (30) to thirty-one (31) site visits per month [minimum of one (1) per night]; and



9.14.4 Supervisor - night shift

Thirty (30) to thirty-one (31) site visits per month [minimum of one (1) per night].

9.14.5 The supervisors and managers of Security officers shall conduct quality site visits and will be required to-

9.14.5.1 Physically monitor the guarding posts and conduct inspections of Security officers by asking those pertinent questions in this regard;

9.14.5.2 Check the Security officers' appearance and level of alertness;

9.14.5.3 Ensure that all Security Incidents and Emergencies are reported and recorded in the Occurrence Book;

9.14.5.4 Inspect the Occurrence Book and, discuss and clarify any Security Incidents and Emergencies recorded therein; and

9.14.5.5 sign the Occurrence Book and record all non-compliance of SARS Site Officers with their obligations and duties.

9.14.5.6 The full details of the occurrence of the site visits shall be recorded in the Occurrence Book.

9.14.6 The successful security service provider(s) must further ensure that there is a specific site visit register kept at SARS Sites and the register contains the following information-

9.14.6.1 Date and time of visit;

9.14.6.2 Confirmation that the site visits were conducted in accordance to the minimum requirements set out above;

9.14.6.3 Details of the Supervisor or Manager who conducted the site visit; and

9.14.6.4 An Occurrence Book number.

9.14.7 The site visit register will be inspected by SARS as and when required. All registers utilised at SARS Sites are the property of SARS and must be handed over to the SARS Authorised Representative or his/her appointed delegate upon request.

## 9.15 Emergency Procedures

The successful security service provider(s)' security officers assigned to perform the Services at a SARS Site must adhere to the standards of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), to this extent, Security officers must have a working knowledge of-

- 9.15.1 SARS Site emergency plan;
- 9.15.2 Emergency telephone numbers;
- 9.15.3 Site escalation procedures;
- 9.15.4 Basic Fire Fighting skills;
- 9.15.5 Basic First Aid skills;
- 9.15.6 Basic Occupational Health and Safety procedure;
- 9.15.7 Basic reaction procedures to power failures on a SARS Site;
- 9.15.8 Evacuation plans of the SARS site where the Security Officer is stationed; and
- 9.15.9 A SARS Site Management File.

#### **9.16 Uncovered and Partially Covered Shifts**

- 9.16.1 The successful security service provider(s) shall ensure that all Security officers, assigned to a shift, report for duty on time. Late coming shall be regarded as a partially covered or uncovered shift.
- 9.16.2 Whenever a Security Officer is late or absent for a shift, the incident must immediately be reported to the SARS Authorised Representative or his/her appointed delegate and a replacement must be deployed on a site within one (1) hour.
- 9.16.3 The replacement Security Officer shall not be a person who has just performed the Services elsewhere or at a Site immediately prior to the shift of the late or absent Security Officer.
- 9.16.4 The replacement Security Officer must be of the same quality and grading level as the absent Security Officer.
- 9.16.5 The replacement Security Officer must be trained on SARS Site instructions and procedures, prior to the placement.
- 9.16.6 Contingency plans must be developed and implemented at all SARS Sites in relation to short or late postings.
- 9.16.7 Change and Replacement of Security officers
- 9.16.8 The successful security service providers shall advise SARS by written notice whenever a Security Officer assigned to perform the Services at a site is on leave or is removed from a site for any other reason.
- 9.16.9 Whenever a Security Officer is absent for a shift, a replacement must be deployed on site within the timelines set out in paragraph 9.16.2.

#### **9.17 Communication**

The successful security service provider(s) must ensure that security officers have access to a secure form of communication (i.e. two way radios) and a minimum of one (1) cellular telephone per site, which must be fully functional at all times.

#### **9.18 Security Equipment**

The successful security service provider(s) must ensure that-

- 9.18.1 Security Equipment used or resources deployed at SARS Sites to perform the Services are declared at all times in the Occurrence Book;
- 9.18.2 The successful security service provider(s) shall conduct inspections of all Security Equipment deployed on SARS Sites. Should any of SARS's Security Equipment fail to be fully functional at any point during the contract term, the successful security service provider(s) must ensure that it is immediately reported to SARS to ensure a replacement is provided, in order to prevent an interruption of the Services.

#### **9.19 Notification of Disciplinary Action/Hearings**

The successful security service provider(s) must inform the SARS's Authorised Representative or his/her appointed delegate of any disciplinary action taken against a Security Officer deployed at SARS in terms of the business requirements. Withholding such information shall constitute a serious breach of the MSA.

#### **9.20 Information Detrimental to Sars Security**

The successful security service provider(s) shall immediately inform the SARS's Authorised Representative or his/her appointed delegate of any information in its possession or that it ought reasonably to be aware of, that is detrimental to SARS's physical security or safety.

#### **9.21 Instruction and Requests**

The successful security service provider(s) and its Personnel, assigned to the delivery of the Services, must adhere to reasonable written requests and instructions by the SARS's Authorised Representative or his/her appointed delegate.

## 9.22 Removal of Information/Property

The successful security service provider(s) personnel must not remove any SARS Confidential and/or Taxpayer Information (irrespective of the medium it is contained in) or SARS's property without the written authority of the SARS's Authorised Representative or his/her appointed delegate.

## 9.23 Performance Standards and Penalty Regime

SARS has determined certain minimum performance standards (Service Levels), the adherence to which is deemed crucial to the delivery of the Services at acceptable levels. In this regard, security service provider(s) are requested to carefully study Annexure B2 hereto which contains the Service Levels and the Financial Penalties applicable in respect of Performance Failures.

Failure to adhere to Service Levels will result in SARS levying a financial penalty for the Performance Failure. Multiple Performance Failures will constitute sufficient proof of persistent non-compliance by the successful security service provider(s) with SARS's prescribed Service Levels and that such persistent non-compliance will constitute a material breach of the MSA.

Notwithstanding the implementation of the Service Levels and Financial Penalty schedule as set out in Annexure B2, SARS reserves the right and without derogation to any other remedies it may have in law, to-

- 9.23.1 terminate the MSA for breach (persistent non-compliance) by the successful security service provider(s);
- 9.23.2 cancel with immediate effect the provision of the Services to the affected SARS Site; or
- 9.23.3 reallocate with immediate effect the Services to the affected SARS Site to another service provider, appointed in terms of this Bid process, or such other service provider as may be appointed by SARS in its exclusive discretion. In such an event, the outgoing service provider shall be obliged, and for its own account, to assist in the seamless transition of the Services to the incoming service provider.
- 9.23.4 Where SARS invokes the rights reserved in paragraph 9.23.3, the successful security service providers shall be obliged to reduce the monthly fees for the affected region accordingly in the month following the adjustment.
- 9.23.5 Cancellation or reallocation of Services in terms of this paragraph shall be without any liability to SARS, except for payment of the Services already rendered by the successful security service providers less applicable financial penalties.

## 9.24 Compliance with Labour Laws and Codes of Practice

- 9.24.1 The successful security service provider(s) shall ensure compliance with all labour laws and pertinent **codes** of practice applicable in the Republic of South Africa as regard employment contractual relationship with its Security Officers operating at a SARS site. This includes, but is not limited to, payment of remuneration (including bonus, shifts allowance, overtime) timeously per the relevant employment agreement and at the minimum wage rates; provision for leave (sick, annual, paternity, maternity etc.); registration of Security Officers under provident/pension fund and payment of employer's contributions thereunder, as stipulated in the Sectorial Determination 6: Private Security Sector, South Africa published under Government Gazette No. 35633 of 28 August 2012 as amended.
- 9.24.2 The successful security service provider(s) shall further ensure that, throughout the duration of the SLA, ensure compliance with all taxation laws applicable in the Republic of South Africa.
- 9.24.3 Failure to comply with labour laws and codes of practice or laws as to taxation as stipulated in paragraphs 9.24.1 and 9.24.2 hereof shall constitute a material breach of the SLA and shall entitle SARS to terminate the Services among other remedies.

## 10. INSTRUCTIONS TO SERVICE PROVIDER(S)

### 10.1. Registration on Central Supplier Database

Foreign Suppliers who have no presence in South Africa currently are not required to register on CSD however should such entities be successful in winning the award, they will be expected to register on the Central Supplier Database. All other local suppliers or foreign suppliers that have local presence at the time of tendering are expected to abide by the following provisions. CSD can be accessed via the following link: <https://secure.csd.gov.za/>

Service Provider(s) who wish to render services to SARS will no longer register at SARS directly. Service Providers will have to register on National Treasury Central Supplier Database (CSD) as per National Circular No. 4A of 2016/2017 – Central Supplier Database.

National Treasury will maintain the database for all suppliers for Government and its institutions; and all existing and prospective suppliers are requested to register on the CSD by accessing the National Treasury website at [www.CSD.gov.za](http://www.CSD.gov.za).

### 10.2. Bids must be properly packaged and deposited in the below mentioned tender box on or before **Closing Date**

and **time** at the SARS Tender Office situated at:

Lehae La SARS  
Pretoria Head Office  
299 Bronkhorst Street,  
Nieuw Muckleneuk,  
Pretoria,  
0181

- 10.3. Bid documents may also be posted to the Tender Office - SARS Procurement Department, 299 Bronkhorst Street, Nieuw Muckleneuk, Pretoria, 0181.
- 10.4. Bid documents will only be considered if received by SARS before the Closing Date and time, regardless of the method used to send or deliver such documents to SARS.
- 10.5. Late bids will not be accepted.
- 10.6. The Service Provider(s) are required to submit one (1) original and one (1) duplicated copy of each file, and one (1) USB with the contents of each file before the Closing Date and time.
- 10.7. Each file and USB must be **marked correctly and sealed separately** for ease of reference during the evaluation process. Pricing information should not be included in the Technical file. Furthermore, the file and information in the USB must be labelled and submitted in the following format:

**Table 10A**

| FILE 1 (ONLY TECHNICAL PROPOSAL)   |   |
|--|---|
| <b>Exhibit 1</b> <ul style="list-style-type: none"> <li>• Pre-qualification documents (SBD documents)</li> <li>• Indication of Region bidding for – Annexure A2</li> <li>• Mandatory Evaluation Documents</li> </ul> | <b>Exhibit 2</b> <ul style="list-style-type: none"> <li>• Service Provider's Compliance Checklist for the Technical Evaluation</li> <li>• Response to Technical Requirements <b>ON EACH REGION BIDDING FOR</b> as per Annexure C2 Technical Evaluation Criteria.</li> <li>• Supporting documents for the technical responses</li> </ul> |

|   |   |
|---|---|
| <b>Exhibit 3</b> <ul style="list-style-type: none"> <li>• General Conditions of Contract (GCC)</li> <li>• Draft Services Agreement</li> </ul>                                 |   |
| <b>FILE 2 (ONLY PRICE AND B-BBEE PROPOSAL &amp; FINANCIAL STATEMENTS)</b>   |   |
| <b>Exhibit 1</b> <ul style="list-style-type: none"> <li>• SBD 6.1 Preference Point Claim Form</li> <li>• B-BBEE Certificate/ Affidavit</li> <li>• Pricing Schedule</li> </ul> | <b>Exhibit 2</b><br>Three (3) years audited/reviewed financial statements |
| <b>Note:</b> SARS request that Bidders use Lever Arch files to package their proposals.   |   |

## 11. EVALUATION AND SELECTION CRITERIA

SARS has set minimum standards (Gates) that Service Provider(s) must meet in order to be evaluated and selected as a successful Service Provider.

The minimum standards consist of the following:

- **Pre-Qualification Criteria (Gate 0)** – Service Provider(s) must submit all documents, as outlined in paragraph 11.1 below.
- **Mandatory Evaluation Criteria (Gate 1)** – Service Provider (s) must submit all documents, as outlined in paragraph 11.2 below.
- **Technical Evaluation Criteria (Gate 2)** – Service Provider(s) will be evaluated out of 100 points for functionality. The detailed process for the technical evaluation is outlined in paragraph 11.4 below.
- **Price and B-BBEE Evaluation (Gate 3)** – This will be evaluated out of 100 points. Price will be evaluated out of 90 and B-BBEE 10 points. The process is outlined in paragraph 11.4 below.

### 11.1. PRE-QUALIFICATION CRITERIA – GATE 0

Without limiting the generality of SARS's other critical requirements for this bid, a Service Provider(s) must submit the documents listed in **Table 11A** below. All documents must be completed and signed by the duly authorised representative of the prospective Service Provider(s). A Service Provider's proposal may be disqualified for non-submission of any of the documents.

Where a bidder's proposal fails to comply fully with any of the prequalification criteria, or SARS is for any reason unable to verify whether the prequalification criteria are fully complied with, SARS will have the right to either:

- reject the proposal in question and not to evaluate it at all;
- give the bidder an opportunity to submit and/or supplement the information and/or documentation provided by it under its proposal to achieve full compliance with the prequalification criteria, provided that such information and/or documentation can be submitted within a period of five (5) working days or such alternative period as SARS may determine; and is purely administrative in nature; or
- in any event permit the proposal to be evaluated, subject to the outstanding information and/or documentation being submitted prior to the award of the RFP.

**Table 11A: Documents that must be submitted for Pre-qualification**

| Name of the document that must be submitted | Non-submission may result in disqualification   |
|---|---|
| CSD Report                                  | <b>YES</b> – Bidders must register on the CSD and submit the Report as confirmation of registration.  |
| SARS' s Oath / Affirmation of Secrecy       | <b>YES</b> – Complete and sign the supplied pro forma document in the presence of a Commissioner of Oaths and initial every page. Date of signature must be the same as the date of the Commissioner of Oath's signature. |
| Invitation to Bid – SBD 1                   | <b>YES</b> – Complete and sign the supplied pro forma document.   |
| Tax Compliance                              | <b>YES</b> – Submit Tax Compliance status pin. SARS will verify tax compliance of Bidder.   |
| Declaration of Interest – SBD 4             | <b>YES</b> – Fully complete or answer the questions accurately and sign. Add a supplementary document in the event that the SBD form does not provide adequate space.   |
| Preference claim form - SBD 6.1             | <b>NO</b> – Non-submission will lead to a zero score on B-BBEE.   |
| General Conditions of Contract (GCC)        | <b>YES</b> – Sign the supplied GCC.   |
| Cost and Risk Assessment Questionnaire      | <b>YES</b> – Complete and sign the supplied pro forma document.   |



| Name of the document that must be submitted  | Non-submission may result in disqualification   |
|--|---|
| Service Provider Compliance checklist for Technical Evaluation – Annexure C  | <b>NO</b> – Complete to assist with ease of reference during evaluation.  |
| A complete set of audited / reviewed annual financial statements for three (3) most recent financial periods in the name of the bidding entity | <b>YES</b> – A complete set of audited / reviewed annual financial statements for three (3) most recent financial periods in the name of the bidding entity |

## 11.2. MANDATORY EVALUATION (GATE 1)

Only Bidders that have met the Pre-Qualification Criteria in Gate 0 will be evaluated in Gate 1 for mandatory evaluation. Non-submission will lead to the Bidder being immediately disqualified from the tender process. Below are the requirements for mandatory evaluation:

**Table 11B: Mandatory Evaluation**

| Mandatory Evaluation Criteria  | Non-submission Will Lead to Immediate Disqualification  |
|--|---|
| B-BBEE status level 1 and 2.   | Please submit a valid B-BBEE Status Level Verification Certificate or sworn affidavit with a B-BBEE status level 1 or 2.  |
| Letter of Good Standing with the Private Security Industry Regulatory Authority (PSIRA) not older than three (3) months. | <p>Please submit a current and valid copy of a Letter of Good Standing issued by PSIRA not older than three (3) months.</p> <p>Refer to an example attached as Annexure F.</p> <p><i>*Bidders must take PARTICULAR NOTICE that a certificate of registration from PSIRA is not acceptable for purposes of compliance with this requirement.</i></p> |

## 11.3. TECHNICAL EVALUATION (GATE 2) = 100 POINTS

Only Bidders that have met the Mandatory Evaluation Criteria in Gate 1 will be evaluated in Gate 2 for functionality / technical. Bidders will be expected to score a minimum of **70 points** in order to proceed to Gate 3 – Price and B-BBEE. Refer to Annexure C2 for the detailed technical evaluation criteria.

#### 11.4. PRICE AND B-BBEE EVALUATION (GATE 3) (90 + 10) = 100 POINTS

In line with the requirements of the Preferential Procurement Regulations 2017, tenders that have achieved the minimum qualifying score for functionality will be evaluated further in terms of the prescribed preference point systems:

- (i) 80/20: A maximum of 20 points may be allocated to a bidder; or
- (ii) 90/10: A maximum of 10 points may be allocated to a bidder.

##### 11.4.1. Stage 1- Price Evaluation (90 points)

Bidders must refer to the pricing schedule on **Annexure D2**. The Bidder's pricing must be **all cost inclusive**. No cost escalations will be considered once the successful Bidder has been appointed.

**Table 11C: Price evaluation formula**

| Adjudication Criteria   | Maximum Points |
|---|----------------|
| Price Evaluation<br>$P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ | 90             |

Where

- $P_s$  = Points scored for price of Bid under consideration
- $P_t$  = Rand value of Bid under consideration
- $P_{\min}$  = Rand value of lowest acceptable Bid

##### 11.4.2. Stage 2- B-BBEE Evaluation (10 points)

B-BBEE points may be allocated to Bidders on submission of the following documentation or evidence:

**Table 11D**

| Adjudication Criteria  | Maximum Points |
|--|----------------|
| A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1) and a B-BBEE Certificate or Sworn Affidavit. | 10             |

The checklist below indicates the B-BBEE documents that must be submitted for this tender. Failure to submit the required documents will result in Bidders scoring zero for B-BBEE.

**Table 11E**

| Enterprise Type                   | Turnover                                 | Submission Requirement  |
|-----------------------------------|--|---|
| Exempted Micro Enterprise (EME)   | Below R10 million p.a.                   | Sworn affidavit or a certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency or a certificate from the Companies and Intellectual Property Commission ("CIPC"). |
| Qualifying Small Enterprise (QSE) | Between R10 million and R50 million p.a. | Sworn affidavit – Only 51% Black Owned (BO) and above, or certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency.  |
| Large Enterprise (LE)             | Above R50 million p.a.                   | Certified copy of a B-BBEE Rating Certificate from a SANAS accredited rating agency.  |

Bidders who do not claim Preference Points will be scored zero for B-BBEE, but will not be excluded from the tender process. Bidders who do not fill the preferential procurement claim form in its entirety will not be awarded points for B-BBEE.

SARS will accept B-BBEE Certificates issued under the revised B-BBEE Codes.

**a. Use and acceptance of sworn affidavits**

All Bidders will need to provide information which proves Black Ownership and turnover, in addition to the sworn affidavit, or request that their EME/QSE suppliers be verified and have this confirmed in the affidavit.

SARS reserves the right to request that Bidders submit their Black Ownership and turnover information in support of their affidavits.

**b. Joint Ventures (JVs) and Consortiums**

Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE scorecard as if they were a group structure for every separate tender.

**c. Subcontracting**

- **Regulation 12 – Subcontracting after award of tender**

(1) A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.

(2) A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

(3) A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.

**d. Proof of Existence: Joint Ventures and/or Subcontracting**

Bidders must submit concrete proof of the existence of joint ventures and/or subcontracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or subcontracting arrangement.

The joint venture and/or subcontracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or subcontracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or subcontracting arrangement.

**11.4.3. Stage 3 – Consolidation of scores (90 + 10 = 100 points)**

The Price and B-BBEE points will be consolidated to determine the successful Bidder(s).

## 11.5. FINANCIAL STATEMENTS

Bidders are required to submit complete sets of audited / reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity. The financial statement analysis will be conducted on the shortlisted bidders.

### 11.5.1. The annual financial statements must contain:

- Statement of Profit and Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Cash Flows; and
- Accompanying Notes.

### 11.5.2. Entities which are trading for less than three (3) financial periods should provide:

- A letter detailing that fact, signed by a duly authorised representative of the entity; and
- Any other information or documentation which would provide more clarity on the financial history of the bidder.

### 11.5.3. In the event that the subsidiary is the bidding entity and submits the financial statements of the holding company for financial evaluation purposes, the holding company must furnish a Performance Guarantee that is signed by a duly authorised representative of the entity.

### 11.5.4. In the event of the bid being in the form of a JV, the following is required:

- Annual financial statements of the JV; and
- A JV legal agreement detailing the percentage ownership of each entity.

SARS reserves the right to request further information with regards to the annual financial statements of a bidder at a later stage.

## 11.6. SELECTION AND APPOINTMENT

**SARS reserves the right to award ONLY ONE (1) region per successful Bidder. It is therefore crucial for Bidders to INDICATE their selection of the region(s) they are bidding for by completing Annexure A2.**

## **12. AGREEMENTS**

### **12.1. General Conditions of Contract**

Any award made to a Service Provider(s) under this bid is conditional, amongst others, upon –

- 12.1.1 The Service Provider(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which SARS is prepared to enter into a contract with the successful Bidder(s).
- 12.1.2 The Service Provider(s) submitting the General Conditions of Contract to SARS together with its bid, duly signed by an authorised representative of the Service Provider.

### **12.2. Services Agreement**

- 12.2.1 Upon award, SARS and the successful Bidder(s) will conclude a supplementary agreement regulating the specific terms and conditions applicable to the services being procured by SARS, more or less in the format of the draft MSA included in this tender pack.
- 12.2.2 SARS reserves the right to vary the proposed terms and conditions of the draft MSA during the course of negotiations with the successful Bidder(s) by amending or adding thereto (including for purposes of better giving effect to the objectives in paragraph 2 above).
- 12.2.3 Bidders are requested to:
  - 12.2.3.1 Comment on the terms and conditions set out in the draft MSA and where necessary, make proposals to the terms and conditions;
  - 12.2.3.2 Each comment and/or amendment must be explained; and
  - 12.2.3.3 All changes and/or amendments to the Services Agreement must be in an easily identifiable colour font and tracked for ease of reference.
- 12.2.4 SARS reserves the right to accept or reject any or all amendments or additions proposed by the successful Bidder(s) if such amendments or additions are unacceptable to SARS or pose a risk to the organisation.
- 12.2.5 Bidders are not required to sign the draft Services Agreement when submitting the Bidder's proposal.

## **13. CONDITIONS OF AWARD**

### **13.1. Private Security Regulatory Authority Accreditation (PSIRA)**

SARS will only appoint a bidder with valid PSIRA accreditation.

### **13.2. Security Vetting**

The award of this bid is conditional upon the Successful Bidder(s) passing security vetting by SARS, as contemplated in paragraph 9.3 of this main RFP document.

### **13.3. Insurance**

The successful Bidder(s) will be required, on or before the effective date of the MSA and for the duration of the MSA, to have and maintain in force:

- 13.3.1 third party liability insurance cover of three million rand (R 3 000 000.00) against all actions, suits, claims or other expenses arising in connection with damages or loss (including death) suffered by a third party and caused by the successful Bidder, its employees; subcontractor or any person engaged by the successful Bidder to provide the Services or component thereof; and
- 13.3.2 professional indemnity insurance cover to a minimum of five hundred thousand rand (R 500 000.00) per Security Incident against all actions, suits, claims or other expenses arising in connection with damages or loss suffered by SARS as a result of breach of the terms and conditions of the MSA in providing the Services or component thereof.

## **14. SPECIAL CONDITIONS OF THIS BID**

### **14.1. SARS reserves the right:**

- 14.1.1. Not to award or cancel this bid at any time and shall not be bound to accept the lowest or any bid.
- 14.1.2. To negotiate with one or more preferred Service Provider(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other Service Provider(s) who has not been awarded the status of the preferred Service Provider(s).
- 14.1.3. To accept part of a bid rather than the whole bid.
- 14.1.4. To cancel and/or terminate the bid process at any stage, including after the Closing Date and/or after presentations have been made, and/or after Bids have been evaluated and/or after the preferred Service Provider(s) have been notified of their status as such.
- 14.1.5. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the Service Provider(s), whether before or after adjudication of the bid.
- 14.1.6. To correct any mistakes at any stage of the bid that may have been in the bid documents or occurred at any stage of the bid process.
- 14.1.7. To disqualify a Bidder whose bid contains a misrepresentation which is materially incorrect or misleading.

#### **14.2. SARS requires Bidder(s) to declare:**

By submitting the bid, the Bidder(s) hereby declare the following:

##### **14.2.1. Confirm that the Bidder(s) shall:**

- 14.2.1.1. Act honestly, fairly and with due skill, care and diligence, in the interests of SARS;
- 14.2.1.2. Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- 14.2.1.3. Act with circumspection and treat SARS fairly in a situation of conflicting interests;
- 14.2.1.4. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- 14.2.1.5. Make adequate disclosures of relevant material information, including disclosures of actual or potential own interests, in relation to dealings with SARS;
- 14.2.1.6. Avoid fraudulent and misleading advertising, canvassing and marketing;
- 14.2.1.7. Conduct their business activities with transparency and consistently uphold the interests and needs of SARS as a client before any other consideration; and
- 14.2.1.8. Ensure that any information acquired by the Bidder(s) from SARS will not be used or disclosed unless the written consent of SARS has been obtained to do so.

#### **15. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

SARS reserves its right to disqualify any Service Provider who either itself or any of whose members (save for such members who hold a minority interest in the Service Provider through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a fifteen percent (15%) interest in the Service Provider other than in the context of shares listed on a recognised stock exchange), directors or members of senior specialist/management, whether in respect of SARS or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- 15.1. Engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other Service Provider in respect of the subject matter of this bid;
- 15.2. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 15.3. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SARS's officers, directors, employees, advisors or other representatives;
- 15.4. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers,



directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

- 15.5. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- 15.6. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 15.7. has in the past engaged in any matter referred to above; or
- 15.8. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such Service Provider, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

#### **16. BIDDER'S OWN TERMS AND CONDITIONS OR BID QUALIFICATIONS**

This document contains the terms and conditions of this bid and Bidders must not qualify the specifications or come up with their own terms and conditions. SARS reserves the right to disqualify a bid which seeks to modify or depart from the specified conditions.

#### **17. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

The successful Service Provider(s) should note that the terms of its bid will be incorporated in the proposed contract by reference and that SARS relies upon the Bidder's bid as a material representation in making an award to a successful Service Provider and in concluding an agreement with the Service Provider.

It follows therefore that misrepresentations in a bid may give rise to service termination and a claim by SARS against the Service Provider notwithstanding the conclusion of the Services Agreement between SARS and the Service Provider for the provision of the services in question. In the event of a conflict between the Service Provider's proposal and the Services Agreement concluded between the parties, the Services Agreement will prevail.

#### **18. PREPARATION COSTS**

The Service Provider(s) will bear all its costs in preparing, submitting and presenting any response or tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing SARS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the Service Providers in the preparation of their response to this bid.

## **19. INDEMNITY**

If a Service Provider(s) breaches the conditions of this bid and applicable legislation, and as a result of that breach, SARS incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the Service Provider indemnifies and holds SARS harmless from any and all such costs which SARS may incur and for any damages or losses SARS may suffer.

## **20. PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

## **21. LIMITATION OF LIABILITY**

A Service Provider participates in this bid process entirely at its own risk and cost. SARS shall not be liable to compensate a Service Provider on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Service Provider's participation in this bid process.

## **22. TAX COMPLIANCE**

No tender shall be awarded to a Service Provider who is not tax compliant. SARS reserves the right to withdraw an award made, or cancel a contract concluded with a successful Service Provider in the event that it is established that such Service Provider was in fact not tax compliant at the time of the award. SARS further reserves the right to cancel a contract with a successful Service Provider in the event that such Service Provider does not remain tax compliant for the full term of the contract.

## **23. NATIONAL TREASURY**

No tender shall be awarded to a Service Provider whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. SARS reserves the right to withdraw an award, or cancel a contract concluded with a Service Provider should it be established, at any time, that a Service Provider has been blacklisted with National Treasury by another government institution.

## **24. GOVERNING LAW**

South African law governs this bid and the bid response process. The Service Provider agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

## **25. RESPONSIBILITY FOR SUBCONTRACTORS AND BIDDER'S PERSONNEL**

In the event that a Service Provider is awarded a contract, the Service Provider may only enter into a subcontracting arrangement with the approval of the SARS. Where such approval has been granted, a Service Provider is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its subcontractors (if any) and personnel of its subcontractors comply with all terms and conditions of this bid. In the event that SARS allows a Service Provider to make use of subcontractors, such subcontractors will at all times remain the responsibility of the Service Provider and SARS will not under any circumstances be liable for any losses or damages incurred by or caused by such subcontractors.

## **26. CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a Bidder's bid proposal(s) will be disclosed by any Service Provider or other person not officially involved with SARS's examination and evaluation of a bid.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a bid. This bid and any other documents supplied by SARS remain proprietary to SARS and must be promptly returned to SARS upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, Service Providers must secure SARS's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating bids or appointing a Service Provider will be disclosed to a Service Provider or any other person not officially involved with such process.



**27. SARS PROPRIETARY INFORMATION**

Service Provider will on their bid covering letter make declaration that they did not have access to any SARS proprietary information or any other matter that may have unfairly placed that Service Provider in a preferential position in relation to any of the other Service Providers.

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