



Bid Evaluation Committee Charter

APPROVAL PAGE

BID EVALUATION COMMITTEE CHARTER

GAUTENG GAMBLING BOARD			
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APPROVAL

The signatories hereof, confirm their acceptance of the contents and authorize the adoption thereof.



Signature- Chief Financial Officer

Date



Signature- Chief Executive Officer

Date

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DEFINITIONS

“Board” means the Board members of the Gauteng Gambling Board

“CEO” means the Chief Executive Officer of the Gauteng Gambling Board

“CFO” means the Chief Finance Officer of Gauteng Gambling Board as appointed

“Constitution” means the constitution of the Republic of South Africa

“Small, Medium and Micro Enterprises/SMMEs” means a legal entity operated for profit that employs less than 50 people and/or has a turnover less than R50 million

“Supply Chain Management Practitioner” means an individual employed in the office of the Chief Finance Officer of Gauteng Gambling Board who is dedicated to be in charge of the implementation of the supply chain management policies

“Official” means staff members or consultants appointed by the Gauteng Gambling Board

“Specialist” means an individual with particular expertise, who serves as a technical advisor to the committee.

1. INTRODUCTION

The purpose of this Charter is to provide guidelines on the mandate, role, function, composition, duties, meeting procedures and conduct of GGB's Bid Evaluation Committee.

2. GENERAL

- 2.1. Bid Evaluation Committees shall be appointed before the closing date for bids that must be evaluated by the Committee. The Committee will disband after the award of the bid.
- 2.2 No person other than a member of the Bid Evaluation Committee or the official rendering the Secretariat function can attend the meeting.

3. MANDATE, ROLES AND FUNCTION OF BID EVALUTION COMMITTEE

- 3.1 A Bid Evaluation Committee should consist of at least three members in respect of all procurement and should be cross-functional and consist of suitably skilled officials from the following:

☐ Departmental managers OR

☐ Section Heads requiring the goods or services

☐ Technical advisor/expert, depending on the complexity of the requirement.

- 3.2 The members of the BEC will only be appointed for the specific requirement under consideration. After approval of the recommendations by the BAC, the BEC will disband.

4. COMPOSITION OF BID EVALUATION COMMITTEE AND THE APPOINTMENT OF MEMBERS

4.1 Bid Evaluation Committee members are appointed in writing by the CEO.

4.1.1 Chairperson

The Chairperson of the Bid Evaluation Committee should be a Senior Manager or other delegated official.

4.1.2 Secretariat

An official from the SCM directorate must be available to act as secretary.

4.1.3 Quorum

The Bid Evaluation Committee can evaluate bids and conclude evaluation within a set timeframe set by the chairperson and the secretariat then produce a report.

4.1.4 Secondment

For purposes of continuity and in order to avoid unnecessary delays, the CEO may second a senior official who is not normally a member of the Bid Evaluation Committee to replace members that are absent from meetings due to illness, leave, etc. The CEO will also decide whether or not such a member will have the same powers as ordinary members.

5. DUTIES AND POWERS OF THE VARIOUS COMMITTEE MEMBERS

5.1. The Chairperson

5.1.1 The Chairperson:

5.1.1.1 Retains all his/her rights as a member,

5.1.1.2 May adjourn the meeting,

- 5.1.1.3 May rule on points of order. Such rulings shall be final and binding on the committee,
- 5.1.1.4 May withdraw proposals or other matters under discussion before it is put to the vote; and
- 5.1.1.5 May only meet to consider bids and evaluate them.

5.1.2 The Chairperson shall:

- 5.1.2.1 Maintain order during a meeting and ensure that the committee's business is conducted in an orderly manner;
- 5.1.2.2. Before opening a meeting, ensure that it is properly constituted;
- 5.1.2.3 Protect the rights of every member;
- 5.1.2.4 Regulate the participation of members in deliberations of the committee;
- 5.1.2.5 Ensure that members know exactly what they are required to vote on;
- 5.1.2.6 Ensure that only one member holds the floor at any one time while also encouraging open discussions and debate on agenda items;
- 5.1.2.7 Provide guidance by directing the meeting, but shall avoid dominating proceedings in meetings;
- 5.1.2.8 Conduct meetings of the committee in a formal manner;
- 5.1.2.9 Formulate clearly the decisions to be minuted and sign and approve the minutes and resolutions after they have been verified for correctness.
- 5.1.2.10 Address concerns from the probity auditors /internal auditors
- 5.1.2.11 Present the Bid evaluation report to the Bid Adjudication Committee.

5.2. Deputy-Chairperson

The deputy-chairperson has the same powers and duties as those of members and in addition, where necessary, shall –

- 5.2.1. in the absence of the chairperson, preside as chairperson; and
- 5.2.2. take the seat of and act as chairperson, should the chairperson have a conflict of interest in any matter being considered.

If both the Chairperson and deputy-chairperson are absent from a meeting, the Chief Executive Officer may elect one of their members to preside at such meeting.

5.3 Secretary

The Secretary shall:

- 5.3.1. In conjunction with the Chairperson compile an agenda and determine the dates of committee meetings,
- 5.3.2. Give note of proposed meetings to committee members;
- 5.3.3. Book or secure a venue for the meeting
- 5.3.4. Minute all decisions taken at meetings;
- 5.3.5. Ensure that the proceeding at meetings are recorded mechanically;
- 5.3.6. Give written feedback of all decision taken by the committee; and
- 5.3.7. Be responsible for all the administrative tasks of the committee.

5.4 Members

5.4.1 Members of the Committee shall:

5.4.1.1 Be fully conversant with the powers and limitations of the Committee as well as all directives pertaining to SCM, including relevant sections of the Constitution section 217, PFMA, Preferential Procurement Policy Framework Act (PPPFA 2017), Broad Based Black Economic Empowerment Act and accompanying regulations, as well as the delegated powers issued by the Board and at all times act in accordance with the above-mentioned legislation, regulations and procedures;

5.4.1.2. Apply their minds to matters at hand in order to take meaningful and accountable decisions and in the event of doubt or uncertainty, to propose that matters be referred to their sources for more information and clarity;

5.4.1.3 In advance, furnish a written apology should he/she not be able to attend a meeting.

5.5 Observers

5.5.1 The Chairperson may, on request, allow officials and specialist to attend as observers. Observers are not allowed to participate in the committee's proceedings, except to advise members of the committee if permitted to do so by the Chairperson. Observers should be required to sign confidentiality agreements to maintain the confidentiality of the committee's discussions.

5.5.2 The Chairperson in consultation with the committee members can request expert advise and legal experts to provide advice on any evaluation matters.

6. MEETING PROCEDURES

6.1 Note of meetings

6.1.1 The agenda of a meeting serves as a program of the meeting and unless the Committee decides otherwise, the items and sequence may not be changed during the meeting.

6.1.2 In order to afford members the opportunity to prepare for the meeting, the agenda shall be made available to members at least 5 five working days before the actual meeting. Where required an urgent meeting may be convened whenever a need arise.

6.2 Minutes

6.2.1 The minutes will be the written record reflecting in a brief, clear and impartial manner, the recommendations of the committee. The signed minutes will serve as proof of the decisions of the committee.

6.2.2 Should a member wish to have a specific matter other than a decision recorded, it must be specifically requested. A member's reason for a dissenting voice must also be recorded.

6.2.3 Proceedings are also recorded mechanically to enable the secretary to prepare verbatim reports when required by a court of law.

6.3 DECLARATION REGISTER

- 6.3.1 Members shall sign a register at each meeting, serving as attendance register as well as an undertaking to confidentiality of that meeting.
- 6.3.2 The register will serve as proof that all interests of members, where applicable, have been declared.
- 6.3.3 Members must declare all gifts and invitations accepted to social events received from suppliers or potential suppliers, irrespective of the value of such a gift. Such declarations must be captured in the minutes of the meeting and must be reported to the Chairperson of the Evaluation as well as the Adjudication Committee.
- 6.3.4 The obligation is to declare all relevant personal conflicts of interest and the details of any spouse, partner, close family member or close friend that does business with such. It is recommended that all significant personal interests be declared, whether a conflict exists or not.
- 6.3.5 Any conflict of interest must be declared as soon as it arises or at least within 30 days of such conflict arising (which requires an amendment to the annual declaration submitted, within the aforesaid 30 days period).
- 6.3.6 An employee or Board member shall not disclose or use confidential information of the Evaluation Committee or any information of third parties obtained through the carrying out of his/her duties for purposes other than to fulfill his/her Evaluation Committee duties. Such information shall not be used to further any personal interests.
- 6.3.7 Legal must keep a courtesy register for both giving and receiving of gifts. All courtesies and gifts must be recorded to safeguard the employees and the company. Please note that the recording of a courtesy does not imply its

acceptability. The CEO may at any stage stipulate that courtesies from a particular supplier or service provider can no longer be accepted. If an employee is uncertain whether it would be ethical to accept a courtesy, approval must be sought from the CEO.

7. CONDUCT OF COMMITTEE MEMBERS

7.1 A person as a member of the committee obtains certain rights such as a share in the control of the matter for which the meeting is constituted and the member may exercise this right by making proposals, voting, etc.

7.2 A member's conduct at the meeting must not infringe on the rights of other members. The rules of conduct are based on mutual respect for the purpose of ensuring that the meeting is conducted in an orderly manner.

7.3 Members must accept that:

7.3.1 Decisions are taken by general consensus or by a show of hands when a matter is decided upon by voting;

7.3.2 Once a decision has been taken it is final and not open for discussion unless additional information which was not available at the time of decision making can be procured.

7.3.3 Information and documentation presented to the committee is confidential;

7.3.4 A member (including the Chairman) shall beforehand declare his/her interest regarding any matter serving before the committee and the member will then recuse him/herself during the discussion of that matter. No representations by the interested member may be allowed prior to discussions on the matter to which the member has a declared interest.

7.3.5 Outvoted members must abide by the decision of the Committee; and

7.3.6 No communication should be made with a bidder by any member prior to or after any meeting.

8. EVALUATION

8.1 The Bid Evaluation Committee must evaluate received bids based on technical specification and bid evaluation criteria set out on the bidding documents and make a recommendation. The preferred bidders must then be submitted to the Bid Adjudication Committee for its final decision.

8.2 The Committee must disqualify bidders on the following basis:

- 8.2.1 Bidders whose bids were not received on time;
- 8.2.2 Bidders whose bids do not adhere to the tender requirements as specified
- 8.2.3 Bids did not score the required points for functionality
- 8.2.4 Reasons for rejection of bids should be clearly stated

8.3 Compliance check procedures

- 8.3.1 All bids should adhere to the compliance requirements as specified on the tender document.
- 8.3.2 Compliance forms should be completed and signed (e.g. SBD forms 4,9)
- 8.3.3 Local production and content requirements are adhered to and forms signed

8.4 Alteration to specifications

- 8.4.1 Specifications cannot be altered at evaluation stage, the advertised specification should be the one evaluated.

8.5 Additional information submitted

- 8.5.1 Where a Bidder submits an offer which meets the requirements of RFP in an alternative and practical manner, the Tender must also include any supplementary material (including such pricing and costing details as may be necessary to enable the GGB to fully assess the financial impact of the alternative proposal), which demonstrates in detail that such an alternative will fully achieve and/or exceed all the specified requirements, together with references as to why the additional features may be advantageous.
Evaluation Committee is not obligated to accept such proposals.

8.6 Providers' own conditions

- 8.6.1 The conditions as contained in the quotation/bid documents enjoy precedence. All providers must accept these conditions. However, it sometimes happens that providers set their own conditions, which might be in conflict with the quotation/bid conditions. Such own conditions set by providers can be recommended for acceptance where it is in the interest of the Gauteng Gambling Board to do so and where the interests of other providers are not prejudiced.
- 8.6.2 Where the providers' own conditions are not in the best interest of the Gauteng Gambling Board, the provider must be requested to withdraw the conditions.
- 8.6.3 If providers are not prepared to withdraw unacceptable or conflicting conditions, reasons why such conditions must be accepted must be submitted to the relevant award structure for approval or alternatively the quotation/bid may be passed over.

8.7 Consideration of additional information

- 8.8 Information received after the closing date, may only be taken into consideration if it would not influence the original recommendation made, which must be based on the original information received from providers.
- 8.8.1 During the consideration of quotations/bids, communication by The Gauteng Gambling Board with providers may take place only with the express prior approval of the relevant award structure.

8.9 Determining points for price

- 8.9.1 The PPPFA prescribes that the lowest acceptable bid must receive 80 or 90 points for price.
- 8.9.2 The point for price must be determined by the following formula:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{OR} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of tender or offer under consideration

P_t = Comparative price of tender or offer under consideration

P_{\min} = Comparative price of lowest acceptable tender or offer.

8.9.3 Points must be rounded off to the nearest 2 decimal places.

9 Preference Points System

9.1 Bidders who qualify as Exempted Micro Enterprises (EME's) in terms of the Broad Based Black Economic Empowerment Act, must either submit:

- 9.1.1 a certificate issued by SANAS accredited verification agency OR
- 9.1.2 a sworn affidavit (annually) confirming annual total revenue of R10 million or less and level of black ownership signed by the EME representative and attested by the commissioner of oath.¹
- 9.1.3 Bidders with a total revenue of between R10 million and R50 million qualify as a Qualifying Small Enterprises (QSE's) and need only to submit a sworn affidavit (annually) confirming annual total revenue of R10 million or less and level of black ownership. A formal SANAS certificate is also acceptable.
- 9.1.4 Bidders other than EME's or QSE's must submit valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by verification agency accredited by SANAS.
- 9.1.5 The submission of such certificates must comply with the requirements of

¹ Codes of Good Practice (the new codes) dated October 2013

instructions and guidelines issued by the National Treasury and must be in accordance with notices published by the Department of Trade and Industry in the *Government Gazette*.

- 9.1.6 The B-BBEE status level attained by the tenderer must be used to determine the number of points out of the 20/10 points for preferential procurement. The points must be awarded as follows:

B-BBEE Status Level of Contributor	Procurement up to R50 000 000 (all taxes incl.) Number of points	Procurement above R50 000 000 (all taxes incl.) Number of points
1	20	10
2	18	9
3	14	6
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

- 9.1.7 The point obtained above must be added to the point for price to determine the total score per bidder.
- 9.1.8 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 9.1.9 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every tender.
- 9.1.10 A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended subcontractor is an exempted micro enterprise that has the capability and ability to execute the contract.

- 9.1.11 The Gauteng Gambling Board must act, against any tenderer or person, when it was detected that the B-BBEE status level of contribution was claimed or obtained on a fraudulent basis.
- 9.1.12 If feasible to contract above R30 million an organ of state must apply subcontract to advance designated groups.
- 9.1.13 Tenders above R30 million must be advertised with a condition that 30% of the contract must be subcontracted to:
- (a) an EME or qualifying QSE
 - (b) an EME or QSE that is 51% owned by black people
 - (c) an EME that is 51% owned by black people who are youth
 - (d) an EME that is 51% owned by black people who are women
 - (e) an EME that is 51% owned by black people with disabilities
 - (f) an EME that is 51% owned by black people who are military veterans
 - (g) 51% owned by black people living in rural areas or underdeveloped area or township.

The GGB must make available the list of suppliers registered on CSD to provide the required goods or services in respect of the applicable designated groups mentioned in the relevant tender for which the tenderer must select a supplier.

9.2 Combining price and preference points

- 9.2.1.1 The points scored by a tenderer in respect of the level of B-BBEE contribution must be added to the points scored for price as calculated.
- 9.2.1.2 The contract must be awarded to the tenderer who scores the highest total number of points unless objective criteria justify the award to another tenderer.

9.3 Extension of validity period

- 9.3.1 Extension of validity must be finalised while the quotations/bids are still valid.
- 9.3.1.1 If a bidder should reduce his/her quoted price as a result hereof, the reduction may be considered only if the provider would have been the successful contractor irrespective of the reduction. In other words the case is evaluated at the original quoted price and if successful, it is accepted at the reduced price.

- 9.3.1.2 In cases where the quoted price is increased when the validity period expires and the quotation/bid concerned is either no longer recommended for acceptance or is recommended for acceptance at the higher price, the disadvantageous or incremental costs must be reported to the Board.

9.4 New and unproven products

- 9.4.1 A bid may not be rejected summarily simply because the bidder or the product which he offers is unknown.

9.5 Country of origin

- 9.5.1 There is currently no embargo on the purchase of products from any foreign market.

9.6 Deviations from specifications

- 9.6.1 Quotations/bids with acceptable deviations from specification may be recommended for acceptance, provided that the competitiveness of another provider is not adversely affected.

9.7 Improvement on specification

- 9.7.1 A quotation/bid received which offers an improvement on the specification may be accepted provided that the other providers are not prejudiced.

9.8 Alternative offers

- 9.8.1 Regardless of whether the provider also submits offers conforming strictly to specification, alternative offers may be considered and accepted provided that the other providers are not prejudiced. If the alternative offer does not meet the specification requirements, in that it is lower than the specified requirements and the deviations are acceptable, the other providers must be approached in cases where they might possibly be prejudiced, with a view to obtaining offers for the delivery of a product or service with the same or similar

acceptable deviations. Such cases must be submitted to the relevant Bid Evaluation Committee for consideration and the relevant award structure for approval.

9.9 Improvement on specification

9.9.1 A quotation/bid received which offers an improvement on the specification may be accepted provided that the other providers are not prejudiced.

9.10 Samples

9.10.1 Notwithstanding the requirement that samples must be submitted not later than the date and time specified in the bidding documents, samples may be received up to the time that it is required for evaluation. The recommendation of a bid must, however, not be delayed because a sample, which was received late, still has to be evaluated.

9.11 Sub-contracting and joint ventures

9.11.1 It is incumbent upon the Gauteng Gambling Board to take care that:

9.11.2 Sub-contractors and partners in joint ventures are engaged in fair and reasonable conditions of contract.

9.11.3 Contractors who contravene the contract conditions potentially be designated as restricted persons.

9.12 Equal offers

9.12.1 When offers are equal in all respects on a comparative basis, thus scoring equal total points, the successful provider must be the one scoring the highest number of preference points for B-BBEE.²

9.12.2 However, when functionality is part of the evaluation process and two or more tenders have scored equal points including equal preference points for B-BBEE, the successful tender must be the one scoring the highest score for

² Implementation Guide PPPFA Regulation, 2017 par. 14.1

functionality.³

9.12.3 Should two or more offers still be equal in all respects, the award shall be decided by the drawing of lots in accordance with the delegated powers.

9.12.4 Where bid prices for a portion of a series of sub-items within a bid are equal and it is necessary for these items to be obtained from the same bidder, then the lowest overall bid for that portion of the bid may be recommended for acceptance.

10 Clearance of providers prior to the award of a contract

Utilise the tax compliance PIN or CSD to view tax compliance status and print the screen view of the tax compliance status

11 Restricted persons

The Gauteng Gambling Board must check the National Treasury Database for Restricted Suppliers prior to awarding any contract emanating from advertised competitive bids

12 Tender defaulters

Verify that the names of the preferred bidders and their directors/ trustees/ shareholders are not listed on the Register for Tender Defaulters. <http://www.treasury.gov.za/publications/other/Register%20for%20Tender%20Defaulters.pdf>

13 Recommendation, Evaluation and Adjudication Report

For each procurement process, the recommendation must be documented in the relevant format for approval by the relevant delegate.

³ Implementation Guide PPPFA Regulation, 2017 par. 14.2

14 Cancellation of bids

- 14.1 Should it be determined through the evaluation process that no acceptable bids were received; a recommendation to cancel the quotation/bid must be submitted for approval as part of the evaluation report.
- 14.2 The reasons why no acceptable quotations/bids were received by the closing date and time must be investigated before a decision is made as to what alternative process must be followed to satisfy the requirements.
- 14.3 The requirement may now be re-advertised / re-invited or a specific number of pre-identified service providers may be targeted.
- 14.4 The evaluation report must contain the request for cancellation accompanied by the perceived reasons determined through the investigation as well as a recommendation on the alternative process to be followed to satisfy the requirements.
- 14.5 The cancellation must be advertised on the same platform where the tender was advertised.

ATTACHMENT 1: DECLARATION OF CONFIDENTIALITY AND IMPARTIALITY FORM

BID EVALUATION COMMITTEE

DECLARATION OF CONFIDENTIALITY AND IMPARTIALITY

MEETING NUMBER:

DATE:

I, the undersigned, accept that all information, documentation and decisions regarding any matter serving before the Committee are confidential. I, therefore, undertake not to make known anything in this regard.

I also declare that I will not purposefully favour or prejudice anybody.

<u>NAME</u>	<u>DEPARTMENT</u>	<u>SIGNATURE</u>