

REQUEST FOR QUOTATION (RFQ)

APPOINTMENT OF A REGISTERED AUCTIONEER TO MANAGE AUCTIONEERING SERVICES OF ASSETS FOR INSETA ONCE OFF SERVICE

RFQ NUMBER	REQ/INS/2022/01088
RFQ ISSUE DATE	26th OCTOBER 2022
BRIEFING SESSION	N/A
RFQ DESCRIPTION	APPOINTMENT OF A REGISTERED AUCTIONEER TO MANAGE AUCTIONEERING SERVICES OF ASSETS FOR INSETA ONCE OFF SERVICE
CLOSING DATE & TIME	31th OCTOBER 2022 @ 11:00
SUBMISSIONS	rfqs@inseta.org.za

Bidders must submit responses via e-mail at: rfqs@inseta.org.za, before the stipulated date and time. For any queries or questions, please use above mentioned email address.

The INSETA requests your quotation on the services listed above. Please furnish us with all the information as requested and return your quotation on the date and time stipulated above. **Late and incomplete submissions will invalidate the quote submitted.**

SUPPLIER NAME: _____

POSTAL ADDRESS: _____

TELEPHONE NO: _____

FAX NO: _____

E MAIL ADDRESS: _____

CONTACT PERSON: _____

CELL NO: _____

SIGNATURE OF BIDDER: _____

DETAILED SPECIFICATION

1. BACKGROUND

1.1 The Insurance Sector Education and Training Authority (INSETA) is a public entity listed in schedule 3A of the PFMA and was established in March 2000. The INSETA must, in accordance with any prescribed requirements perform in accordance with the Skills Development Act (SDA), the Skills Development Levies Act (SDLA), the Public Finance Management Act (PFMA), and any other relevant legislation and the Constitution.

2. PURPOSE

2.1 INSETA seek to appoint competent and registered auctioneer to manage the auctioneering services of assets for INSETA once off service.

2.1.1 Assets - +/- 700 assets.

3. SCOPE OF WORK

3.1 The Auctioneer service provider will be responsible to manage the auctioneering of assets as per approved asset list once off services.

- 3.1.1 The service provider must have a secured storage facility that will be used to conduct Auction services for INSETA assets.
- 3.1.2 Provide a comprehensive insurance cover in the name of the bidder with source documents to cover out assets.
- 3.1.3 The service provider must insure the secured space site against risk with comprehensive insurance policy to cover not limited to fire, theft, damages and cyber security.
- 3.1.4 The service provider must be able to demonstrate in a form of proposal and presentation how online auction will be conducted.
- 3.1.5 The appointment of the service provider required to conclude the auction in 30 days.
- 3.1.6 Service provider to submit a detailed proposal that comprehensively describes the following:
 - a. Collection of assets
 - b. Storage
 - c. Marketing Campaign
 - d. Information & Technology online auctions
 - e. Auction Administration
 - f. After Sales Support
 - g. Storage facility
 - h. Facility Security

- 3.2 The Service provider must be registered with the South African Institute of **Auctioneers (SAIA)**.
- 3.3 Service provider will be required to provide auction plan based on the initial assessment of assets to be disposed off.
- 3.4 Auctioneer must develop a costed auction plan which must be presented to management and disposal committee for approval before the auction date.
 - 3.4.1 The costed auction plan must outline the logistics for the implementation approach of the auction at bidders site.
 - 3.4.2 The costed auction plan should cover the following but not limited to pre- auction preparation, Auction execution, Risk Management on how the successful bidder will ensure a fair and transparent auction, the combating and prevention of collusion practices amongst bidders.
- 3.5 Bidder must specify the commission as a percentage on the purchase price.
- 3.6 Bidders will be responsible for submitting the final detailed statement for items sold, to the within 3 (three) working days after the auction.
- 3.7 Payment of the sales should be made within 21 days after the finalisation of the auction to INSETA.
- 3.8 All goods lots are sold “Voetstoots” and that no claims will be considered by virtue of incorrect description, quantity, quality, condition or any other grounds.

4. PREQUALIFICATION CRITERIA

- 4.1 The SBD forms must be fully completed, signed and initialled by the authorised company representative.
 - 4.1.1 SBD 4 Bidder’s Disclosure - complete and sign
 - 4.1.2 SBD 6.1 Preference Points Claim Form – complete and sign
 - 4.1.3 RFQ Document - *initial each page*
 - 4.1.4 General Condition of Contract (GCC) - *initial each page*
- 4.2 Bidder must provide a **valid BBEE Certificate (accredited by SANAS only) or BBEE Certificate issued by CIPC, or valid Sworn Affidavit** on the DTI issued template.

5. MANDATORY CRITERIA

- 5.1 The Auctioneer Must be registered with S.A.I.A (South African Institute of Auctioneers). The Registration Certificate must be provided.
- 5.2 The Auctioneer must be trading for a period of 4 years or more. Proof must be in the form of award letters by any Government institution, private entities and or companies. Provision in the form of signed documents in the form of letters of award as portfolio of evidence.
- 5.3 The costs for advertising are borne by the awarded Auctioneer through the various selected advertising platforms. The bidder must stipulate this on the Bidders letter head.

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- 5.4** Fully computerised auction package, photographic evidence to be provided.
- 5.5** Public Address System, photographic evidence to be provided. (Portfolio of evidence- in terms of pictures).

If the Mandatory requirements are not met, bidders will be deemed non-responsive. The Mandatory requirements will be used as an evaluating criterion, together with the pricing schedule completed.

6. COSTING

6.1 The quotation must reflect a detailed cost breakdown indicating the following:

PRICING SCHEDULE

Items	Description Unit	Quantity	Unit Price	Total Cost
1.	Commission on assets Book value of assets to be confirmed on appointment	Estimated 700 assests		R
2.	Collection fee	1		R
3.	Facility storage and labelling fee	1		R
Total Excluding VAT				R
VAT @ 15%				R
Total Including VAT				R

7. PRICING CONSIDERATIONS:

- 7.1** Service providers must ensure that the price quotations are inclusive of all applicable taxes **(including VAT)**. Costing must comprise all the relevant services proposed in the bidder submission.
- 7.2** The bidder will be required to accept a purchase order.
- 7.3** Compliance with the general conditions of the contract.

8. CONTRACTUAL OBLIGATION

- 8.1 The bidder must provide total cost pricing including VAT (and applicable taxes)
- 8.2 The bidder obtaining the highest number of total points will be awarded the contract unless objective criteria justify the award to another bidder.
- 8.3 Preference points shall be calculated after the process has been brought to a comparative basis taking into account all factors of non-firm prices.
- 8.4 In the event that two or more bids have scored equal points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 8.5 The Consumer Protection Act, no 68 of 2008 as amended inclusive of regulations.

9. POINTS AWARDED FOR PRICE AND BBBEE PREFERENCE POINT

The **80/20** preference point system

A maximum of **80** points is allocated for price on the following basis:

$$P_s = 80 \{1 - (P_t - P_{\min})\}$$

P min

Where:

P_s = Points scored for comparative price of bid under Consideration

P_t = Comparative price of bid under consideration

P_{min} = Comparative price of lowest acceptable bid

B-BBEE PREFERENTIAL POINTS WILL BE AWARDED AS FOLLOWS:

B-BBEE Status Level of the contributor	Number of points 80/20 system
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 9.1** 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 its B-BBEE status level certificate.
- 9.2** 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 its consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 9.3** Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 9.4** A person will not be awarded points for the B-BBEE status level if it is indicated in the bid documents that such a bidder 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 bidder qualifies for unless the intended Sub-contractor is an EME that has the capacity and the ability to execute the sub-contract.
- 9.5** 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 EME that has the capacity and the ability to execute the sub-contract.
- 9.6 Consortium**



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- 9.6.1. A consortium is an association of two or more individuals, companies, organisations or governments (or any combination of these entities) with the objective of participating in a common activity or pooling their resources for achieving a common goal.
- 9.6.2. A consortium requires that each participant retains its separate legal status and the consortium's control over each participant is generally limited to activities involving the joint endeavour, particularly the division of profits. A consortium is formed by contract, which designates the rights and obligations of each member.
- 9.6.3. In a consortium, only the lead bidder's credentials both in terms of financial and technical qualifications are considered. Therefore, the interpretation and application to a RFQ/Bid process is such that the lead partner is identified and the following requirements are required as follows:
- a) Lead Partner**
- All administrative documents (consortium agreement between the lead partner and the partner)
 - Technical requirements (which will show in the proposal and other requirements why the need for the consortium, which for all intent and purpose fulfils the requirements of the bid through combination of skills)
- b) Partner**
- Proof of CSD registration.
 - Tax Pin.
 - BBBEE Sworn-Affidavit.
 - SBD 4
- 9.6.4. It should be taken into cognisance that although the lead partner is the qualifying entity, the partner should prove that it can do business with state-owned entities, through CSD registration, proof that the taxes are compliant, its level of BBBEE status in order to align with the BBBEE status level required by the BID, declare interest and answer questions that it is not a disqualified entity with the National Treasury. The foregoing ensures compliance from an SCM process perspective that the consortium is in order.
- 9.6.5. Of importance is that in a consortium, each individual team members retain their identities.

9.7 A joint venture

- 9.7.1. A joint venture is a business entity created by two or more parties, generally characterized by shared ownership, returns and risks and shared governance.

9.8 Unincorporated joint venture:

- 9.8.1 All SCM documents are filled in by the joint venture in the name of the joint venture, although the submission of administrative documents (partnership agreement between parties) will be completed in the name of the joint venture, and the following will be required from both parties, amongst others



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- a) SBD 4
- b) SBD 6
- c) Tax pin
- d) CSD registration.
- e) The JV agreement will direct which bank account of the two entities will be used.
- f) Consolidated Joint BBBEE Certificate.

9.9 Incorporated joint venture

9.9.1 This aligned to a registered entity or company. A registered entity/ company with a consolidated BBBEE certificate and a bank account in the name of the Joint venture. The required compliance documents must be complete by the entity/ company the name of the joint venture, and the following will be required amongst others

- a) SBD 4
- b) SBD 6
- c) Tax pin
- d) CSD registration.
- e) The JV agreement will direct which bank account of the two entities will be used.
- f) Consolidated Joint BBBEE Certificate.

9.9.2 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder 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 bidder qualifies for, unless the intended Sub-contractor is an EME that has the capacity and the ability to execute the sub-contract.

9.9.3 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 equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capacity and the ability to execute the sub-contract.

10. COMMUNICATION

Respondents are warned that a response will be disqualified should any attempt be made by a bidder either directly or indirectly to canvass any officer(s) or employees of INSETA in respect of BID process, between the closing date and the date of the award of the business.

All enquiries relating to this BID should be emailed **three days before the closing date.**

11. CONDITIONS TO BE OBSERVED WHEN BIDDING

The organization does not bind itself to accept the lowest or any BID, nor shall it be responsible for or pay any expenses or losses which may be incurred by the bidder in the preparation and delivery

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of his BID submission. The organization also reserves the right to withdraw or cancel the BID at any stage.

No BID shall be deemed to have been accepted unless and until a formal contract / letter of award is prepared and executed.

The competitive shall remain open for acceptance by the Organization for a period of **120 days** from the closing date of the BID Enquiry.

INSETA reserves the right to:

- 11.1** Not evaluate and award a bid that do not comply strictly with this BID document.
- 11.2** Make a selection solely on the information received in the Bid Document and Enter into negotiations with any one or more of preferred bidder(s) based on the criteria specified in the terms of reference.
- 11.3** Contact any bidder during the evaluation process, in order to clarify any information, without informing any other bidders. During the evaluation process, no change in the content of the BID shall be sought, offered or permitted.
- 11.4** Cancel this BID at any time as prescribed in the PPPFA.
- 11.5** Should bidder(s) be selected for further negotiations, they will be chosen on the basis of the cost effectiveness and the principle of value for money not necessarily on the basis of the lowest costs.

12. Cost of Bidding

- 12.1** The bidder shall bear all costs and expenses associated with preparation and submission of its BID submission and the INSETA shall under no circumstances be responsible or liable for any such costs, regardless of, without limitation, the conduct or outcome of the bidding, evaluation, and selection process.

Note to Bidders:

- 12.1.1 Due diligence to be conducted by INSETA prior to the award of the contract.

END OF TERMS OF REFERENCE DOCUMENT