

**SPECIFICATION / TERMS OF REFERENCE
(TOR) FOR SHORT TERM INSURANCE FOR A
PERIOD OF THREE (3) YEARS**



RFQ NO. LGB02/10/2023/24RFQ

1. NATURE OF THE BUSINESS

The Limpopo Gambling Board is a parastatal and is established in terms of the Limpopo Gambling Act (4 of 1996) and retained in terms of the Limpopo Gambling Act, Act No. 3 of 2013.

2. SCOPE AND SERVICE REQUIREMENTS

2.1. The Limpopo Gambling Board is inviting quotations from registered and accredited insurance companies for Short Term Insurance Cover for all Limpopo Gambling Board assets for a contract period of three (3) years, as listed below:

- Fire damages (office contents) as per attached asset register.
- Business all risks as per attached asset register (e.g. audio visuals, cameras, fire arms, ammunitions, gps's, televisions).
- Furniture (as per attached assets register).
- Electronic Equipment (e.g. computers, laptops, printers - as per attached assets register).
- Motor Vehicles (as per attached asset register).
- Public Liability (offer to be indicated by category) R1,000,000.00.
- SASRIA
- Group Personal Accidents - R1,000,000.00 (e.g. Death while on duty)
- Board members and employees liabilities – R5,000,000.00 (The policy covers the Board members and employees in respect of all claims (including costs and expenses) made against them for which they are legally liable and caused by the insured's wrongful acts).
- Employment Practices Liability – R5,000,000.00 (Cover is provided for claims made by Board members and employees arising out of "inappropriate behaviour", which would include discrimination, sexual or workplace harassment, wrongful dismissal or failure to promote and inappropriate employment conduct.)
- Accreditation by the Financial Sector Conduct Authority (FSCA) must be submitted.

2.2. The duration of the contract will be for a period of three (3) years, commencing from the date on which the successful Service Provider and Limpopo Gambling Board sign the standard Service Level Agreement.

2.3. Bidders are required to comply with the following administrative requirements:-

- 2.3.1. All documents inclusive of supporting documentation requested must be completed, submitted and signed off where required.
- 2.3.2. All documents and all forms required must be completed in black ink and signed by the authorized signatory.

2.4. Attachments

The following documentation must be attached: -

- 2.4.1. A National Treasury Central Supplier (CSD) Database registration report.
- 2.4.2. Valid Identity Documents of all directors.
- 2.4.3. Sworn Affidavit – B-BBEE Exempted Micro Enterprise. Failure to submit the certificate will be interpreted to mean that preference points for B-BBEE verification status level of contribution are not claimed.
- 2.4.4. Proof of Company Registration documents
- 2.4.5. Proof of registration with the Financial Services Board (FSB).
- 2.4.6. Three (3) most recent Financial Statements. Bidders are required to submit complete sets of audited / independently reviewed annual financial statements in the name of the bidding entity
- 2.4.7. Online system for claims logging, tracking, tracing and reporting. Bidders must provide a letter indicating what online system they are utilising. This will be verified against the screen-prints provided. (Bidders will be required to demonstrate their online system as part of the technical evaluation).
- 2.4.8. Standard Bidding Forms to be completed in full:
 - SBD 3.1 - Pricing Schedule - Firm Prices
 - SBD 4 - Declaration of Interest
 - SBD 6.1 - Preference Points Claim form

2.5. Pricing

- 2.5.1. Suppliers should quote for the Limpopo Gambling Board and must express prices for the services in South African currency (Rand).
- 2.5.2. Price(s) quoted must be firm and must be inclusive of Value Added Tax (VAT).

2.5.3. The proposed fee structure should be outlined in detail.

2.5.4. All RFQ's submitted must be valid for a period of ninety (90) days from the closing date.

2.6. Signing of the contract and Service Level Agreement

The RFQ will be awarded on condition that the successful Service Provider signs the contract and Service Level Agreement with Limpopo Gambling Board based on the contents of this document, offer and letter of award.

NB: FAILURE TO COMPLY WITH THE ABOVE MINIMUM REQUIREMENTS MAY LEAD TO DISQUALIFICATION OF THE SERVICE PROVIDER AT THE SOLE DISCRETION OF LIMPOPO GAMBLING BOARD. FURTHERMORE, LIMPOPO GAMBLING BOARD WILL NOT BE RESPONSIBLE FOR ANY COSTS INCURRED BY THE SERVICE PROVIDER IN THE PREPARATION AND SUBMISSION OF THIS RFQ. THE SUPPLIER'S OWN TERMS OR CONDITIONS SHALL NOT BE ACCEPTED.

3. EVALUATION CRITERIA

All BIDS received will be evaluated on a basis of 80/20 preference point system and must obtain a minimum score of 70 points on Functionality. The quotation will be evaluated as follows:

3.1. FUNCTIONALITY

Value: 1= Poor, 2 = Average, 3 = Good, 4 = Very Good and 5 = Excellent

Description	Evidence	Weight
A. Financial Ratings by a recognized financial Institution	Copy of rating from the bank must be attached (i) Bank ratings A = 5 Points (ii) Bank ratings B = 4 Points (iii) Bank ratings C = 3 Points (iv) Bank ratings D = 2 Points (v) Bank ratings E = 1 Point	25
B. Experience	A detailed schedule of relevant experience (i) 10 years' experience and above = 5 points (ii) 6–9 years = 3 points (iii) 1-5 years = 2 points	25
C. References	Contactable written references (at least 3 with one being for a current contract) providing positive feedback on performance. (i) 5 references and above = 5 Points (ii) 2-3 references = 3 Points (iii) 1-2 reference = 2 Points	25
D. Claims administration system Claims procedures to be clearly documented and relevant claim form to be attached Claim form	(i) Evidence of claims administration system (attach a screen shot of a system) = 5 points (ii) Claim procedures clearly documented (clear timeframes/turnaround times on handling of claims) = 3 points (iii) Only the claim form attached = 2 (iv) Claim form not attached = 0	20
E. Locality	(i) Main office or office branch within Limpopo province = 5 Points	5
Total		100

4.2. Calculation of points scored on functionality:

$$Ps = \frac{So}{Ms} \times 100$$

Where

Ps = Percentage scored for functionality by BID under consideration

So = Total Score of BID under consideration

Ms = Maximum possible score

- 4.2.1 A bidder that scores less than 70 points out of 100 points in this respect will be considered to have submitted a non-responsive proposal and will be disqualified.
- 4.2.2. Bidders that have achieved the minimum qualification score of 70 points for Functionality.

4.3. Calculation of points

4.3.1 Calculation of points for price:

This quotation will be evaluated in terms of the 80/20 preference point system (all applicable taxes included) as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and the Preferential Procurement Regulations, 2022

The formulae used in calculating points scored for price are as follows:

$$Ps = 80 \left(1 - \frac{Pt - P \min}{P \min} \right)$$

Where:

Ps = Points scored for bid under consideration

Pt = Rand value of bid under consideration

Pmin = Rand value of lowest acceptable bid

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

NB: Bidders that score less than 70 points out of 100 in respect of functionality will be regarded as non-responsive and will not be considered for further evaluation. Points scored by qualifying bidders will not be taken into consideration for price and specific goals evaluation.

4.4. Preference points

The 80/20 point system shall be applicable in terms of the Preferential Procurement Regulations, 2022.

Preference points shall be allocated as follows: -

Criteria	Points
Price	80
Specific goals	20
TOTAL	100

- a) A maximum of 20 points will be awarded for specific goals in accordance with the table:

NO	DESIGNATED GROUP	Specific goals points	Means of Verification
1	Black People	4	CSD Report
2	Youth	4	ID document or CSD Report
3	Women	4	ID document or CSD Report
4	Persons with Disability	4	Medical Certificate or CSD Report
5	Small, Medium and Micro Enterprises (SMMEs)	2	ID document or CSD Report
6	Enterprises located in rural areas and townships	2	ID Document or CSD Report

- b) The points scored by a tenderer in respect of the specific goals above must be added to the points scored for price.

- c) Only the tender with the highest number of points scored may be selected.

4.5. Criteria for breaking deadlock in scoring

- 4.5.1. In the event that two (2) or more bids have scored equal total points, the successful bid must be the one (1) that scored the highest points for specific goals.
- 4.5.2. If two (2) or more bids have equal points, including equal preference points for specific goals, the successful bid must be the one (1) scoring the highest score for functionality, if functionality is part of the evaluation process.
- 4.5.3. In the event that two (2) or more bids are equal in all respects, the award must be decided by the drawing of lots.

5. RESERVATION OF RIGHTS

Limpopo Gambling Board reserves the right to:-

- 5.1 Request further information from any Service Provider after the closing date of the RFQ;
- 5.2 Verify information and documentation of respective Service Provider from the South African Revenue Services (**SARS**), Companies & Intellectual Property Commission (**CIPC**), National Treasury or any other relevant entity or visit the premises of the Service Provider at any time without notice. Any information received which does not correspond with the one provided in the RFQ document will render the RFQ null and void;
- 5.3 Negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;
- 5.4 If the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;
- 5.5 If the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.
- If a market-related price is not agreed as envisaged in paragraph 4.5, the Limpopo Gambling Board must cancel the tender.
- 5.6 Not make an award;

- 5.7 Appoint a third party to evaluate the service provider's compliance with any aspect of this RFQ;
- 5.8 Withhold payment of valued-added tax (VAT) on any amounts charged by the Service Provider should the Service Provider tax status is not in good standing with the South African Revenue Service. Therefore, the Service Provider must ensure that their tax status must be in good standing for the full duration of the contract.
- 5.9 Cancel the contract, if it is satisfied that any person (being an employee, partner, director or shareholder of the Service Provider or a person acting on behalf of or with the knowledge of the bidder), firm or company (The expression "person, firm or company" shall include an authorized employee or agent of such a person, firm or company):
- a) is executing a contract with government unsatisfactorily;
 - b) has offered, promised or given a bribe or other gift or remuneration to any officer or employee in the Public Service in connection with obtaining or executing a contract;
 - c) has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining a contract with any government department, provincial administration, public body, company or person, or that he has managed his affairs in such a way that he has in consequence there-of been found guilty of a criminal offence;
 - d) has withdrawn or amended his RFQ after the time set for the receipt and opening of RFQ.

APPROVED BY:



MR. M.G. MAKOKO
CHIEF EXECUTIVE OFFICER