


FREQUENTLY ASKED QUESTIONS ABOUT AND DOING BUSINESS WITH THE CITY OF CAPE TOWN		 <div>CITY OF CAPE TOWN ISIXEKO SASEKAPA STAD KAAPSTAD</div>	
SUPPLY CHAIN MANAGEMENT			
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Introduction to Supply Chain Management

This department (usually abbreviated to SCM) manages the supply and acquisition of goods and services to the City or on behalf of the City. This includes construction works and consultant services, the disposal of goods no longer needed, and the selection of contractors to assist in the provision of municipal services.

SCM is responsible for ensuring a sound, sustainable and accountable supply chain that promotes black economic empowerment and local economic development, and encourages small businesses and joint venture partnerships. This procurement system is fair, equitable, transparent, competitive and cost effective, in accordance with the Constitution of South Africa.

Herewith some frequently asked questions (F.A.Q's) posed to SCM on a regular basis:

- 1. Question:** *I have registered on the City's Supplier Database, but have never been offered an opportunity / never had contact from the City?*

Answer: It is not the City's responsibility to inform you, but for you to follow opportunities on the City's website (www.capetown.gov.za). Please ensure to update your contact details on the City's Supplier Database.


The City uses SMS/Fax/Email technology to stay in touch.

- 2. Question:** *Does the City make use of Quadrem/ Tradeworld/Ariba?*

Answer: No. The City maintains an internal online Supplier/supplier database. To transact with the City, all suppliers must be registered on the City's Supplier Database.

- 3. Question:** *Do I have to subscribe to Quadrem/ Tradeworld/Western Cape Supplier Database to receive opportunities?*

Answer: No. For goods and services to the value of R200 000.00 requests for quotations are published on the City's website at www.capetown.gov.za. Please feel free to visit this site regularly and view all RFQ's (Request for Quotations). Goods and services above the value of R200 000.00 are obtained via a formal bidding process. These are advertised in local newspapers, *The Cape Times* and *Die Burger*, and can also be viewed on the website as mentioned above. By

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making use of the SmartCape facilities at City libraries you have free access to the internet to obtain this information.

- 4. Question:** *I always see the same companies doing catering at City functions? Who chooses the catering companies? I know that SCM staff use a rotating list but staff in the departments use preferred suppliers?*

Answer: The City places an advert every 6 months requesting prospective service providers to indicate if they are willing to provide catering services to the City. The approved service providers are used on a rotational basis according to the functions that they have been approved for.

- 5. Question:** *Does the City apply Broad Based Black Economic Empowerment (B-BBEE)?*

Answer: Yes. To be considered for the preference points in respect of the supply of goods, services or construction works, an original or certified copy of B-BBEE certificate or letter of exemption must be supplied to the City with the completed application form in order to update your Supplier data and if not received, your Preferential Status will be regarded as zero. Note should be taken of the newly gazetted B-BBEE Code of Good Practice under section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended and promulgated in Government Gazette No 36928 on 11 October 2013.

- 6. Question:** *How does the City evaluate tenders quotations (RFQ's)?*


Answer: The criteria on which Tenders/RFQ's are B-BBEE evaluated are always indicated in the Tender/RFQ document. They include Pricing, B-BBEE status, functionality i.e. previous experience, track record, regulatory compliance and complying with the Tender/RFQ specification(s).

- 7. Question:** *I have been unsuccessful and would like to query the outcome of a Tender/RFQ. What steps should I follow?*

Answer: Contact the Supply Chain Management (SCM) practitioner whose name appears on the request for assistance.

- 8. Question:** *Where can I obtain assistance with my business venture/ go to improve my business skills?*

Answer: Kindly contact the City Small Business Support service on 021 417 4043 or email business.support@capetown.gov.za. For more information see

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<http://www.capetown.gov.za/Work%20and%20business/Doing-business-in-the-City/Business-support-and-guidance/Small-business-support-service>.

9. Question: *Why are the tender documents so thick and painful to complete?*

Answer: The tender document forms the essence of the final contract awarded to the successful bidder(s). This contract must protect the City and the Contractor in the fulfillment of the terms and conditions of the contract.

10. Question: *Why is the City so strict with regard to the accuracy and completeness of information required in tender submissions?*

Answer: The tender document forms the essence of the final contract awarded to the successful bidder(s). If essential items are missing, incomplete, inaccurate or do not conform to the required quality, the contract cannot be properly enforced in a manner which is fair, equitable, transparent, competitive and cost effective, in accordance with the Constitution of South Africa.

11. Question: *Why is work not allocated to companies operating from the area in which the service is required?*


Answer: A system which is fair, equitable, transparent, competitive and cost effective, in accordance with the Constitution of South Africa does not permit the City to exclude a company from offering its services in any area in which it has the ability to operate. To preclude companies from offering their services based on the geographical area from which they operate will violate the fairness in the open market system.

12. Question: *Does the City always buy the cheapest goods?*

Answer: No. There is a legislated points scoring system which the City applies in the evaluation of the offers. These points are based on price, B-BBEE and functionality, where applicable, i.e. previous experience, track record, regulatory compliance and complying with the Tender/RFQ specification(s).

13. Question: *If I have a unique product that I think the City should use. Will the City buy it from me?*

Answer: This would be considered as an Unsolicited Bid, meaning that the City is not asking for the product. There are very strict conditions which must be met before the City will even look at the offer. The SCM policy available at www.capetown.gov.za provides more information.

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14.Question: *Can a City employee come to my shop and take what he/she wants and organize an order (payment) later?*

Answer: No, definitely not! The Supplier's offer will be accepted by the City of Cape Town when a purchase order is issued to the Supplier. The date of issue of the purchase order shall be the commencement date of the contract. The Supplier undertakes work and incurs expenses prior to the issuing of a purchase order entirely at its own risk. The City shall only be liability for payment in terms of this contract if a valid purchase order has been issued to the Supplier.

15.Question: *What do I do if a City employee says he will organize a contract for me if I give him something in return?*

Answer: This is fraud and must be reported. Take down all the details of the event and provide any such proof to the City via the fraud hotline (0800-323-130). The City has a zero tolerance policy and will take appropriate action.

16.Question: *What can I do if I know of misconduct such as fraud, collusion or fronting taking place?*


Answer: Take down all the details of the event and provide any such proof to the City via the fraud hotline (0800-323-130). The City has a zero tolerance policy and will take appropriate action.

17.Question: *Why do I need a Tax Clearance Certificate? What can I do if SARS won't give me a Tax Clearance Certificate?*

Answer: The City is obliged by law to only do business with companies whose tax matters are in order. The City will only accept an ORIGINAL copy of your Tax Clearance Certificate. These certificates also need to be renewed annually, or the City will stop conducting business with you. Please be aware that it remains the responsibility of the supplier to keep his data up to date with the City of Cape Town.

18.Question: *Can I come and watch the opening of the tenders and quotations at closing time and then find out if I have the job?*

Answer: All tenders and quotations which are deposited into the boxes are opened in public and any interested party can attend. The evaluation of the submissions takes place afterwards and can be a difficult and tedious process. The submissions are compared with the specifications provided by the user as well as

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other statutory requirements before a decision is made. The evaluation process is not open to the public.

19.Question: *What do I do if I have not been paid for the goods or services delivered?*

Answer: You should contact the person who requested your services and find out from that person what the delay is. The City makes use of a computerized system which heavily relies on the user to process the transaction before payment can take place (called the GRN (Goods Received Notice) process). If the invoice corresponds with the order, and the user has processed the GRN, the payment takes place automatically at the appropriate payment cycle.

20.Question: *Where can I get more information on how the City conducts business?*

Answer: You can go to the City website and read all the information on SCM.
<http://www.capetown.gov.za/en/SupplyChainManagement/Pages/default.aspx>.

21.Question: *Please explain Functionality, the application thereof and the impact on quotation submissions?*

Answer: Functionality (quality) scoring is made up of different criteria as determined by the Project Manager. This is to ensure that the companies quoting are capable of doing the work according to the City's standards.

22.Question: *What do the terms "Invalid and Responsiveness" mean?*

Answer:


- Invalid:

After the closing date of tenders, tenders are scrutinised for the minimum requirements to be considered a valid bid, such as:

- Has the Form of Offer been signed and the tenders name indicated.
- Has the document been completed in non-erasable ink
- Has the tenderer offered a bid price on the Pricing Schedule

Failure to comply with the above will immediately deem the offer "invalid".

- Responsiveness:

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Only valid tenders are considered in terms of responsiveness criteria determined in the document.

Responsiveness of a bid is determined in the Evaluation Schedule defined such as:

- Tenderer offering a bid to the required specification as advertised
- Pricing of the bid offer adheres to the Pricing Instruction by the City in the document.
- Meeting of the minimum functionality (e.g. indicating the company has the required resources to fulfil obligations on the contract).
- Any other additional ad-hoc information required from time to time.

23. Question: *What legislative requirements apply to projects?*

Answer:

- Building Industry Bargaining Council (BIBC)
- Construction Industry Development Board (CIDB),
- Preferential Procurement Policy Framework Act (PPPFA),
- Security Industry Regulation Act (SIRA),
- Compensation for Occupational Injuries and Diseases Act (COIDA),
- Valid Tax Clearance Certificate,
- Public Liability etc.


24. Question: *Why does SCM not also display the accepted price together with the name of the preferred bidder when loading quotation awards?*

Answer: The City awards on preference points and price, not on value alone. To publish the accepted price is not part of the full picture.

25. Question: *Why is a site meeting compulsory for Request for Quotations (RFQs)?*

Answer: It is important for the contractors to see the site and surrounds, and to find out what the Project Manager expects from them. This is the only opportunity to gain first hand information and ask any questions of clarity in a fair and transparent manner.

26. Question: *Is there a briefing session for tenders / quotations?*

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Answer: There is a compulsory site/briefing session for all construction/service RFQ's. For most tenders a site meeting/briefing session will not be compulsory, but strongly recommended.

27. Question: *I would like to attend the briefing session, I am lost/do not know the area. Can you help?*

Answer: Please contact the Project Manager / consultant as indicated in the tender /quote documentation for further information.

28. Question: *Where are your tenders/ quotes advertised?*

Answer: Tenders

- Website address is www.capetown.gov.za click on "Supply Chain Mngt" for Tenders
- Tenders are advertised in the Cape Times and Die Burger on Fridays or Thursdays if the Friday is a public holiday.

Answer: Quotes (RFQ)

- Website address is www.capetown.gov.za click on "Supply Chain Mngt" for RFQ's.

29. Question: *Do you have tenders available for downloading from your website and if so, what is your website address?*


Answer:

- Tenders are available for downloading from our website www.capetown.gov.za/tenders click on "Supply Chain Mngt"
- Construction tenders and certain consultancy tenders which must comply with CIDB regulations and must be collected from the Tender Distribution Office on the 2nd Floor, Concourse Level, Civic Centre, 12 Hertzog Boulevard ,Cape Town.
- At the compulsory site meeting from the project Manager.

30. Question: *I downloaded a tender document from the website. The document states that there is a fee tender payable. How do I pay for the document?*

Answer: If you downloaded the tender document, the tender fee does not apply.

31. Question: *What are the office hours for the collection of tender documents?*

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Answer: The Tender & Quotation Office is open for the collection of tender documents from 07:30 until 15:00 (weekends and public holidays excluded).

32. Question: *What are the office hours for the deposit of my tender and quotation documentation?*

Answer:

- Tender & Quotation documentation may be deposited from 07:30 until 15:00, Mondays to Fridays (weekends and public holidays excluded)
- You may deposit your tender in the relevant tender box at the following address:
Tender Submission Office
2nd floor, Concourse Level
Civic Centre
12 Hertzog Boulevard
Cape Town.


33. Question: *I got held up in the traffic and arrived late due to unforeseen circumstances (will my tender/ quotation document be accepted)?*

Answer: The City of Cape Town cannot accept late tenders/ quotations. The SCM policy, clauses 190 and 191, state that a late tender/quotation cannot be accepted.

34. Question: *My tender / quotation have been stamped as invalid, why is my tender / quotation invalid?*

Answer: According to clause 217 of the SCM Policy the following are reasons for the tender /quotation been endorsed as invalid:

- the tender/RFQ, including the tender/RFQ amount, where applicable, is not submitted on the official Form of Offer;
- the tender/RFQ document is not completed in non-erasable handwritten, or printed, ink or toner;
- the Form of Offer has not been signed with an original signature;
- the Form of Offer is signed, but the name of the tenderer is not stated, or is indecipherable; or
- if in a two envelope system, the tenderer fails to submit a separately sealed financial offer/tender.

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35. Question: *Where can I collect the City of Cape Town Supplier/Supplier Database registration form?*

Answer: The Supplier registration form can be downloaded from City's website at www.capetown.gov.za. or collected from Supplier Management, 2nd Floor, Civic Centre, Cape Town. Once completed, must be returned/hand delivered to Supplier Management, 2nd Floor, Civic Centre, Cape Town. Contact Numbers for Supplier registration assistance: (021) 400 3216 or (021) 400 2945.

36. Question: *Where can I collect /deliver completed Supplier registration forms?*

Answer: Supplier registration forms may be collected at/delivered to the Supplier Management registration office on the 2nd floor, Concourse Level, Civic Centre, 12 Hertzog Boulevard, Cape Town. The Supplier registration form can be downloaded from City's website at www.capetown.gov.za. Contact numbers for Supplier registration assistance: Telephone numbers (021) 400 3216 or (021) 400 2945.

37. Question: *I have a question regarding the Supplier registration form.*

Answer: Please contact the Supplier Management registration office on the 2nd floor, Civic Centre, 12 Hertzog Boulevard, Cape Town or on telephone numbers 021 400 9243/ 9244/ 9245 for further information (supplier.database@capetown.gov.za).

38. Question: *Are electronic tenders/quotations accepted?*

Answer: No. Clause 186 of the SCM policy states that electronic tenders/quotations will not be accepted.


39. Question: *What is the tender fee?*

Answer: Depending on the document a, non-refundable tender fee is payable, if any. The fee may vary. Please refer to the relevant tender document for the correct tender fee.

40. Question: *Can I dismember (take apart) the official quotation/tender document?*

Answer: No. The quotation/tender document must not be dismembered or taken apart.

41. Question: *Can I put more than one document in an envelope?*

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Answer: No. Each document must be submitted in a separate envelope.

42. Question: *Where are the quotation documentation forms available from?*

Answer: From the project manager at the compulsory site meeting.

43. Question: *Can I submit a quote if I did not attend a site meeting?*

Answer:

- No. Only quotations submitted by service providers / contractors who have attended the compulsory site meeting and completed the register will be considered for acceptance
- Suppliers arriving more than 15 minutes after the official site meeting time will not be allowed to participate in the meeting.

44. Question: *I am registered with Quadrem/Tradeworld. Why do I need to still register on the City of Cape Town's database? I have submitted my Tax Clearance Certificate to Quadrem/Tradeworld. Why do I have to provide the City with the same details?*

Answer: In order to conduct business with CCT, all suppliers must be registered on the City's Supplier Database. The Supplier registration form can be downloaded from City's website at www.capetown.gov.za. or collected from Supplier Management, 2nd Floor, Concourse Level, Civic Centre, Cape Town. Once completed, the form must be returned/hand delivered to Supplier Management, 2nd Floor, Concourse Level, Civic Centre, 12 Hertzog Boulevard, Cape Town. Contact Numbers for Supplier registration assistance are: Telephone numbers (021) 400 3216 or (021) 400 2945. **It remains the responsibility of the Supplier to keep the City of Cape Town informed of any changes of their Supplier data.**
