



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001

TRANSVERSAL CONTRACTING
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transversal.contracting1@treasury.gov.za
Ref: RT27-2019

CONTRACT CIRCULAR – AMENDMENT 4

CONTRACT RT27-2019: PROVISION OF DEBT COLLECTION SERVICES TO THE STATE FOR THE PERIOD 1 JULY 2020 TO 30 JUNE 2023.

1. This contract will be subject to the Master Transversal Contract and all its annexures issued in accordance with Chapter 16A of the Treasury Regulations published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract and all the annexures are supplementary to that of the Master Transversal Contract. Where, however, the Master Transversal Contract is in conflict with the Participation Agreement, General Conditions of Contract and Special Conditions of Contract the Master Transversal Contract will prevail.
2. The contract circular for the aforementioned contract distributed to State Institutions together with all other annexures constitutes the official and binding agreement between the Service Provider and the State. State Institutions are, therefore prohibited from making any amendments of any nature to the aforementioned contract, except on the service levels.
3. The National Treasury will communicate all amendments, if any, to the State Institutions. It would only be at the receipt of such notification from the National Treasury that State Institutions can effect any changes to this contract.
4. **Supporting Documents**

The documents below will be updated as and when required and therefore State Institutions should always refer to the latest available documents from the National

Treasury Website.

- 4.1. Contract Circular and Address List
- 4.2. Master Transversal Agreement
- 4.3. Participation Agreement Template
- 4.4. Service Request Template
- 4.5. Special Conditions of Contract
- 4.6. Request for Participation Letter

5. Utilization Guidelines

5.1. Initial Process

- 5.1.1. The interested State Institutions must complete the Request to Participate Letter in order to be included as a participant on the contract. The letter must be submitted to National Treasury – Chief Director: Transversal Contracting for consideration to transversal.contracting1@treasury.gov.za. The office will respond officially to confirm participation.
- 5.1.2. All the sixteen (16) appointed Service Providers are qualified, have met the technical requirements of the bid and have demonstrated the capacity and capability to deliver the debt collection services to the State.
- 5.1.3. The commission fees chargeable was negotiated and approved by National Treasury. However, State Institutions may further negotiate the commission fee with any of the Service Providers (if necessary).
- 5.1.4. All of the Service Providers have signed the Master Transversal Agreement with National Treasury and are readily available to provide the debt collection services.
- 5.1.5. The appointment of all Service Providers was on an “*as an when required*” basis, therefore no guarantees of allocation of works must be made to the Service Providers.

5.2. Selection Process

- 5.2.1. Appointment of more than one (multiple) Service Providers is highly encouraged to effectively manage the performance of the appointed Service Provider(s). Successful collection will be measured against average performance of other Service Providers.
- 5.2.2. The State Institutions must follow the least cost model to select and appoint any of the listed Service Providers. If the Service Provider with a higher commission fee is appointed, the State Institution must be in a position to motivate the reasons for not selecting other service providers in favour of the Service Provider with a higher

commission fee and record such reasons for audit purposes.

5.2.3. The State Institutions may use the company profiles report to motivate the reasons for appointment or non-selection. If needs be, Institutions may request the Service Providers for presentations and demonstrations of their service offering.

5.2.4. State Institutions must conclude Participation Agreements with all the appointed Service Providers. Once the Participation Agreement is duly signed, the State Institutions will issue the Service Request(s) with the allocated debt book. All Service Requests must be signed off by both parties and attached to the relevant Participation Agreement as Annexures to the said Participation Agreement.

5.3. **Rotation Process**

5.3.1. State Institutions are encouraged to rotate the appointed Service Providers to ensure maximum successful collection and fair distribution/allocation of works.

5.3.2. In order to ensure a fair rotation process, the Institutions must request the Service Providers to declare the number of Institutions they have or are rendering services to in terms of RT27/2019 and the debt book value of such appointments. This will assist to determine the workload/allocation of work of all the appointed service providers for rotation purposes.

5.4. **Supplier Relationship Management Process**

5.4.1. State Institutions are responsible for performance management, supplier relationship management and dispute resolution. Failure to resolve the dispute, both parties may escalate and notify in writing to the National Treasury – Chief Director: Transversal Contracting for further dispute resolution, failing which parties may seek legal advice.

5.4.2. State Institutions and Service Providers are required to submit quarterly historic reports of all the services requests issued and progress thereof. The report will indicate the name of the service(s) providers/State Institution, debt book value, expected targeted value, actual collected value, commission fee payable, challenges, opportunities and success of the contract. This information will be analysed and be used for supplier performance management reviews by National Treasury. The reports to be send to transversal.contracting1@treasury.gov.za

5.5. **Administration Process**

5.5.1. In order to reduce the administration burden, State Institutions must refrain from requesting any bidding document including SBD documents every time they issue a Service Request to the awarded service providers as the competitive process was followed at National Treasury. The compliance documents including the SBD forms

for the duration of the contract.

6. Contract Circular – Commission Fee Structure:

6.1. The debt collection services offered are on the basis of “No Successful Collection, No Commission Fee” payable. All commission fee percentages are inclusive of 15 % VAT.

| No | NAME OF SERVICE PROVIDER | COMMISSION FEE (% ALL INCLUSIVE) | UNIT SCORE | BBBEE LEVEL | B-BBEE SCORE | AWARD SCORE |
|----|--|----------------------------------|------------|-------------|--------------|-------------|
| 1 | Phakamani Debt Collection Services | 8,00 | 90,00 | 2 | 9 | 99,00 |
| 2 | Ntloedibe Attorneys | 8,50 | 84,38 | 1 | 10 | 94,38 |
| 3 | New Integrated Credit Solutions (Pty) Ltd | 9,00 | 78,75 | 1 | 10 | 88,75 |
| 4 | Bafana Ncube Incorporated | 9,00 | 78,75 | 1 | 10 | 88,75 |
| 5 | Ntiyiso GSI JV | 9,20 | 76,50 | 1 | 10 | 86,50 |
| 6 | Boffin & Fundi (Pty) Ltd | 9,20 | 76,50 | 1 | 10 | 86,50 |
| 7 | Ismail and Dahya Inc | 9,20 | 76,50 | 1 | 10 | 86,50 |
| 8 | In Quest Collections (Pty) Ltd | 9,20 | 76,50 | 2 | 9 | 85,50 |
| 9 | Transaction Capital Recoveries (Pty) Ltd | 9,20 | 76,50 | 2 | 9 | 85,50 |
| 10 | Revenue Consulting (Pty) Ltd | 9,66 | 71,33 | 2 | 9 | 80,33 |
| 11 | Hahn Collections (Pty) Ltd | 9,87 | 68,96 | 2 | 9 | 77,96 |
| 12 | Khumalo Masondo Attorneys Inc | 10,00 | 67,50 | 1 | 10 | 77,50 |
| 13 | Bham & Danya cc | 10,00 | 67,50 | 1 | 10 | 77,50 |
| 14 | Medaco Revenue Solutions (Pty) Ltd | 10,00 | 67,50 | 2 | 9 | 76,50 |
| 15 | ITC Business Administration (Pty) Ltd | 10,00 | 67,50 | 2 | 9 | 76,50 |
| 16 | Ducharne Asset Management & Accounting (Pty) Ltd | 10,15 | 65,81 | 2 | 9 | 74,81 |

7. Participating State Institutions:

| DEPARTMENT | CONTACT PERSON | ADDRESS | CONTACT DETAILS | E-MAIL ADDRESS |
|--|---|--|---|--|
| Eastern Cape Provincial Treasury | Portia Hashe | Tymzashe Building; Phalo Avenue; Bisho; Eastern Cape | 040 101 0127 083 460 1785 | Portia.Hashe@ectreasury.gov.za |
| Department of Justice and Constitutional Development | Raymond Venkatsamy Potgieter Theunis | Momentum Centre, 329 Pretorius Street, Pretoria Central, 0001 | 012 315 4636; 083 269 0339 012 315 4537 | RVenkatsamy@justice.gov.za ThPotgieter@justice.gov.za |
| The Office of the State Attorney | Ian Chabalala | 75 Koch Street, Salvokop, Tshwane, 0002 | 012 310 6908 | IanC@Statssa.gov.za |
| Statistics South Africa | George Mashila, | 56 Paul Kruger Street, Finance House Provincial Treasury, Polokwane | 015 291 8711 082 802 4876 | MashilaXG@treasury.limpopo.gov.za |
| Limpopo Treasury | J Smit | 117 Creswell Road; A'Block, Silverton | 012 841 7119 082 778 7808 | smitj3@saps.gov.za |
| South African Police Services | Christina Monaisa | 124 Poyntons Building, WF Nkomo and Sophie De Bruyn | 012 307 2101 082 318 3736 | Christina.Gabaediwe@dcs.gov.za |
| Eastern Cape Transport | M L Mboya | Mbuyisei Mboya 25 Brooklyn Road Woodbrook East London; 5201 | 043 731 2902 082 773 6298 | Mbuyisei.Mboya@dot.ecprov.gov.za |
| PSIRA | Mmatlou Sebogodi | 420 Witch-Hazel Avenue, Block B – Eco Glades 2 Office Park, Highveld Ext 70 | 012 003 0510 084 555 1716 | Mmatlou.sebogodi@psira.co.za |
| National Prosecuting Authority | Elizabeth Choma | 123 Weavind Park, Westlake Avenue, Silverton, 0184 | 012 845 6118 079 250 2636 | mchoma@npa.gov.za |
| Boxing South Africa | Thabang Moses | 1077 Arcadia Street, Second Floor Hatfield Forum East Building, Hatfield, Pretoria | 012 765 9600 072 413 4759 | thabang@boxingsa.co.za |
| National Housing Finance | Bruce Gordon Anda Mazibuko | Old Trafford 3, Isle of Houghton, 11 Boundary | 067 425 1891; 082 951 6578 | BruceG@nhfc.co.za Andam@nhfc.co.za |

| DEPARTMENT | CONTACT PERSON | ADDRESS | CONTACT DETAILS | E-MAIL ADDRESS |
|---------------------------|-----------------------------|---|------------------------------|---|
| Corporation SOC LTD | | Road, Houghton | | |
| Bitou Local Municipality | Phelisa Casa | No.4 Sewell Street, Plettenberg Bay, 6600 | 044 501 3407 061 544 3717 | Phelisa Primrose Casa <pcasa@plett.gov.za> |
| Lesedi Local Municipality | Paul Malgas | 1 HF Verwoerd Street; Civic Centre Building; Heidelberg; 1438 | 016 492 0028 064 095 4074 | paulm@lesedi.gov.za |
| Amahlathi | Siphelele Kambi | No 12 MacClean Street Stutterheim 4930 | 043 492 1164 083 968 3868 | Skambi@amahlathi.gov.za Kmbi.siphelele@gmail.com |
| Elundini | Bukelwa Mashologu Dlodlo | No 1 Seller Street MacClear 5480 | 045 932 8100 078 4939162 | bukelwad@elundini.gov.za |
| Limpopo Provincial Health | Mongwai Mathoto | Office A2 18 College Street Polokwane 0700 | 015 293 6356 | Mathoto.Mongwai@dhsd.limpopo.gov.za |

8. Appointed Service Providers:

| Name of Contractor | Contact Person | Telephone number | e-mail address |
|---|---------------------------|-------------------------------|--|
| Phakamani Debt Collection Services | Myles Baker | 087 940 7464; 082 329 6030 | myles@pdcs.co.za rafik@pdcs.co.za |
| Ntloedibe Attorneys | Solomon Ntloedibe | 012 323 6457; 084 694 3706 | ntloedibeattorneys@telkomsa.net; solomon.ntloedibe@hotmail.com |
| New Integrated Credit Solutions (Pty) Ltd | Moalosi Caleb Makakaba | 012 432 5000; 082 376 0148 | info@nics.co.za |
| Bafana Ncube Incorporated | Bafana Ncube | 011 880 4204; 078 304 8240 | bafana@ncubeinc.co.za mfanu@ncubeinc.co.za |
| Ntlyiso GSI JV | Vongani Machimana | 012 940 5435; 074 120 6826 | info@ntlyisoconsulting.co.za; vongani.machimana@ntlyisoconsulting.co.za |

| Name of Contractor | Contact Person | Telephone number | e-mail address |
|--|----------------------|-------------------------------|--|
| Boffin & Fundi (Pty) Ltd | Tebogo Nkosi | 012 346 3318; 066 229 8567 | tebogo@bofn.co.za oswan@bofn.co.za |
| Ismail and Dahya Inc | Wahid Ismail | 011 837 0366 | Legal@idalaw.co.za |
| In Quest Collections (Pty) Ltd | Bernard van Rensburg | 087 898 4780; 011 475 0010 | info@in-quest.co.za; bernard@in-quest.co.za |
| Transaction Capital Recoveries (Pty) Ltd | Shandu Lukoto | 011 560 6765; 060 992-4719 | shandul@tcrecoveries.co.za |
| Revenue Consulting (Pty) Ltd | Vusi Jennings | 011 747 9740; 082 773 1305 | vusii@revenueconsulting.co.za |
| Hahn Collections (Pty) Ltd | Tshiamo Baloyi | 086 099 5130 | marketing@hahncollections.co.za |
| Khumalo Masondo Attorneys Inc | Jabulani Khumalo | 011 615 2560 010 100 0110 | jabu@kminc.co.za |
| Bham & Danya cc | Deepak Dahya | 011 422 5380 082 566 7746 | deepak@bhamdahya.co.za |
| Medaco Revenue Solutions (Pty) Ltd | Edward Muiruri | 086 099 9927 072 479 0874 | edwardm@medaco.co.za |
| ITC Business Administration (Pty) Ltd | Tracey Faias | 021 405 5700 083 450 0668 | ffaia@itcba.co.za |
| Ducharme Asset Management & Accounting (Pty) Ltd | Awie Viljoen | 021 887 9121 082 826 3094 | aviljoen@ducharme.co.za |



DORAH KGOTSE

for CHIEF DIRECTOR: TRANSVERSAL CONTRACTING

OFFICE OF THE CHIEF PROCUREMENT OFFICER

DATE: 2 October 2020