



SERVICE LEVEL SCHEDULE

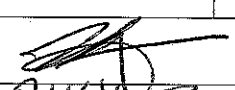
Contract RT46/2014CV

Category AB (Item 1 and Item 2) and Category AC

SUPPLY AND DELIVERY OF VEHICLE FLEET MANAGEMENT SERVICES


between

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA
acting through its National Department of Transport ("the State")

Physical Address	The Forum Building, 159 Struben Street, Pretoria, 0001		
Postal Address	Private Bag X193, Pretoria, 0001		
Signed at	PRETORIA	Date	19/03/15
			
Name	RIKHOTSO	who warrants that they are duly authorised to sign	
Office	COO		

and

Transit Solutions ("Contractor")

Physical Address	Bruma Boulevard, AFS Group House, 20 Zulberg Close, Bruma		
Postal Address	Po Box 66375, Broadway, 2020		
Signed at	BRUMA	Date	14/04/2015
			
Name	NDHLANA JACQUELINE KHUMALO	who warrants that they are duly authorised to sign	
Office	MANAGING DIRECTOR		

This Agreement comprises the Agreement and Schedules attached hereto.



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SECTION I



1. DEFINITIONS

In this bid document, the following words or expressions shall have the meanings hereby assigned to them, except where the context otherwise requires.

- 1.1. **Accounting Officer** – bears the same meaning as defined in the Public Finance Management Act or Municipal Finance Management Act.
- 1.2. **Card** – a magnetic or smart card / or equivalent device supplied by the Contractor to facilitate transactions for fuel where required.
- 1.3. **Consortium / Joint Venture** – an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 1.4. **Contractor / Service Provider** – the successful bidder who is awarded the contract to maintain and administer the required and specified services to the State.
- 1.5. **Driver** – an official / employee in possession of a valid unendorsed driver's licence which enables them to drive a specific category of vehicle and is authorized to do so in terms of a trip authority as issued or any other form of authorization.
- 1.6. **Fleet Responsibility Manager / Fleet Manager/SAPS identified personnel** – an official designated by the Accounting Officer or Chief Financial Officer to assume accountability for a fleet of vehicles.
- 1.7. **Gap Card** - a magnetic or smart card/ equivalent device supplied by the Contractor to facilitate all transactions in areas where VIT technology is not available and that will not allow a normal card transaction at a merchant or site where VIT technology is available.
- 1.8. **Merchant / Supplier** – any legal entity which contracts with the Contractor or the Contractor's banking partner to provide goods or services to the State. It can include the State's in-house fuel bowser, stores, and workshops.



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- 1.9. **Service Plan/ Maintenance Plan/ Motor Plan** – a service as that can be optionally procured during the purchasing of the vehicle that will cover all cost in terms of normal services as set out in the vehicle's owner manual or handbook up until a specified kilometres or time period.
- 1.10. **Spares** – any parts fitted to a vehicle ensuring that the vehicle is fully operational and functional and has to be replaced due to the malfunction thereof. The fitment of non- OEM (Original Equipment Manufacturer) approved spares will need to be done in consultation with the relevant client department without jeopardizing any warranties of guarantees in terms of the vehicle.
- 1.11. **The State** – for the purpose of this contract it refers to National and Provincial spheres of government who participate in this contract. This includes constitutional institutions, public entities listed in Schedule 3A and 3C of the PFMA as well as local authorities.
- 1.12. **Transaction** – any agreement entered into between the State and a merchant with the intervention of the Contractor for the sale of goods and / or the rendering of services.
- 1.13. The headings for the definitions of transactions as set out in this document will be the only acceptable headings for fees to be used in the consolidated account to the State. The service provider shall categorize all the transactions for the State according to the following definitions
- 1.13.1. **Accessories** - Additional equipment fitted to a vehicle that does not form part of the vehicle's standard specification as released by the respective motor manufacturers. These items must not have any effect on the standard guarantees and warranties of the vehicles in question. It can include items such as radios, canopies, air conditioning, tow bars, tyre bands, window laminations, sunroof, decals, sirens, star bars and two-way radios.
- 1.13.2. **Accident damage** - Any unexpected and undesirable event resulting in damages to the vehicle / property of a third party and / or harm to the driver and / or passenger(s) and third parties and that cannot be defined as maintenance or repairs.
- 1.13.3. **Car wash and valet services** - All car wash and valet transactions will need to be identified as a separate line item in terms of billing as and when the services are required by the end user departments. Reports will need to

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make provision for separate reporting on all car wash and valet services to assist departments in managing this expenditure.

- 1.13.4. **Drive train units** - This will be all transactions related to the components of the vehicle that connect the transmission with the driving axles and include the universal joint and drive shaft. All drive train unit transactions will need to be categorized separately and reports adjusted to make provision for separate reporting in terms thereof.
- 1.13.5. **Engine overhauls** - All cost for the overhauling of engines will need to be categorized separately and reports adjusted to make provision for separate reporting in terms thereof.
- 1.13.6. **Fuel** - All transactions related to the procurement of diesel and petrol. All transactions in terms of fuel will need to be recorded in terms of date, merchant, number of litres and the price irrespective of it being dispensed from a bowser or a normal on road fuel outlet.
- 1.13.7. **Maintenance** - It is all work undertaken in terms of a vehicle that is included in the normal service plan of the vehicle and as set out in the manufacturers manual/ owner manual or vehicle service handbook or any other repairs as required due to normal wear and tear.
- 1.13.8. **Oil** - Transactions must be priced per pints of oil and the exceptions are to be highlighted. Should the inability be at merchant level to provide such information, the contractor to the State will need to address it with the merchant in question.
- 1.13.9. **Other transactions** - These transactions will need to be handled similar to any maintenance or repair transactions and need to be defined as "other" This will be for all transactions that are not defined in terms of the other categories as set out within this document or as additionally identified by the client. All transactions that are being classified under "other" will need to be reported on separately and a full description of the transaction be made available to the relevant client.
- 1.13.10. **Repairs** - All additional repairs undertaken in terms of a vehicle, excluding maintenance, accident damage, and engine overhauls as per the definitions included in this document.

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- 1.13.11. **Toll** -All fees as incurred when a vehicle travels on a designated toll road, whether toll is collected manually or via E-Tolling.
- 1.13.12. **Training** - The contractor will need to make provision for transactions pertaining to the training of drivers in terms of practical driver training for individuals identified by the State. This training can include training courses such as advanced or defensive driver training courses. The transaction will need to be treated as any other transaction and will be for the account of the State. (This does not in any way relate to the training to be provided in terms of systems etc. by the contractor)
- 1.14. **Transport Officer / Controller / Control Officer** – an officer appointed by the Accounting Officer in writing to, inter alia, administer the department's State vehicles either at a sub-office within a region, within a region or within a department.
- 1.15. **VIT** - Vehicle Identification Technology
- 1.16. **VIU** - Vehicle Identification Unit
- 1.17. **Abbreviations:** The following meanings will be attributed to the abbreviations used herein:
- | | |
|------------------|--|
| 1.17.1. BAC: | Bid Adjudication Committee |
| 1.17.2. B-BBEE: | Broad-Based Black Economic Empowerment |
| 1.17.3. CPA | Contract Price Adjustment |
| 1.17.4. CPI | Consumer Price Index |
| 1.17.5. HDI | Historically Disadvantaged Individual |
| 1.17.6. PPI | Producer Price Index |
| 1.17.7. SBD | Standard Bidding Document |
| 1.17.8. STATS SA | Statistics South Africa |
| 1.17.9. VAT | Value- Added Tax |

SECTION II



1. CONTRACT PERIOD

The contract period shall be for a period of five years from 1 April 2014 to 31 March 2019.

2. INTRODUCTION TO REQUIREMENTS

The services required through this contract by the State are:



- 2.1. A card or payment facility for the purchasing of fuel at any fuel outlet nationally.
- 2.2. A facility for the payment of all maintenance transactions, services, and repair transactions at authorized merchants as and when needed on a specific vehicle.
- 2.3. A card or payment facility to pay for all toll fees incurred on any toll road in South Africa.
- 2.4. A facility for the administration of all fuel disbursed at government owned bulk fuel sites.
- 2.5. A consolidated billing system that will allow early settlement discount to be given to end users paying prior to the 30 days as required by the PFMA.
- 2.6. A maintenance administration function that include the following:
 - 2.6.1. The verification of the replacement of parts on a vehicle in order to ensure that it is done in accordance with the industry norms and standards, OEM's requirements and in such a manner as to ensure that all warranties remain intact.
 - 2.6.2. Inspection prior to, during, and after major maintenance or repairs was undertaken on a specific vehicle.

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- 2.6.3. The ratification of invoice amounts to ensure that industry related prices are paid.
- 2.6.4. The negotiation of discounts for the early settlement of an account.
- 2.6.5. A fleet management system to accurately record and report all expenditure incurred and statistical analysis of information.
- 2.7. Customized reporting in terms of exceptions, wrongful application of vehicles, or any fraudulent activities.
- 2.8. Assistance to government in terms of investigations to be done in terms of all exceptions, wrongful application of vehicles or fraudulent activities by government officials, technical inspectors or any other staff that might be required.
- 2.9. An accessible fleet management consulting service provided through fleet liaison officers within the designated areas of operation.
- 2.10. To achieve cost savings on behalf of government in terms of discounts for the procurement of specified products and services, not excluding the facilitation of procurement through other bulk purchasing contracts arranged by the State where applicable or requested by the State.
- 2.11. The integration and administration in terms of information received from services providers for Radio Frequency Identification Devices (VIT devices)

3. PRICING STRUCTURE

- 3.1. The pricing structure of this tender is based on the information included in Addendum A: Pricing Schedule.
- 3.2. All prices are inclusive of 14% Value Added Tax.
- 3.3. The State will not pay any amounts to the appointed service provider that is not reflected on the Addendum A: Pricing Schedule.

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4. CONTRACT PRICE ADJUSTMENTS

- 4.1. Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 4.2. The following price adjustment formula will be applicable for calculating contract price adjustment (CPA) for the contract administration fees only.

$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + \dots + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjustable price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85).
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%).
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment.

4.3. Formula Component Definitions

- 4.3.1. **Adjustable amount** - The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the escalatable amount is 85% of the original bid price. For example, if the bid price is R1000 then only R850 will be subject to adjustment.

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4.3.2. **Fixed Portion** - The fixed portion represents those costs, which will not change over the adjustment period, and DOES NOT represents the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

4.3.3. **Cost components and proportion-** The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.



Cost Component	% Contribution
D1- CPI Financial services	100%
TOTAL (Cost components must add up to 100%)	100 %

4.4. The Applicable indices / references

4.4.1. The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:

Cost component	Index Publication	Index Reference
Financial Services	STATS SA Statistical release P0141 (CPI Publication)	Table E financial services

4.4.2. **Base Index Date** - The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date is September 2013.

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4.4.3. **End Index Date** - The end index dates are the dates at predetermined points in time during the contract period. In this bid the end indices are defined in the next paragraph (Par. 23.4.7– Price Adjustment Periods)

4.4.4. **Price Adjustment Periods** - Adjustment to contract prices may be applied for at the following dates: The contractor will be allowed to apply for an annual CPI (All items) adjustment as per the index listed under Historical metropolitan areas (Statistical Release P0141.1, table E), which will come into effect on the 1st of April yearly as from 2015. (Base month 1 September 2013).



Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective	Dates until which adjusted prices will be effective
1 st Adjustment	5 March 2015	January 2015	1 April 2015	31 March 2016
2 nd Adjustment	4 March 2016	January 2016	1 April 2016	31 March 2017
3 rd Adjustment	6 March 2017	January 2017	1 April 2017	31 March 2018
4 th Adjustment	5 March 2018	January 2018	1 April 2018	31 March 2019

4.5. The application must be submitted two months prior to the commencement date of the increase to the Section: Contract Management at National Treasury and will only be applicable for all administration and transaction fees. The State in turn shall claim a decrease in rates should the CPI decreases under the same conditions as applicable to the contractor

5. ROLES AND RESPONSIBILITIES

5.1. Contract Administration

5.1.1. The administration and facilitation of the contract will be the responsibility of National Treasury, Contract Management and all correspondence in this regard must be directed to the following address:

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The Chief Directorate: Contract Management,
National Treasury,
Private Bag X115,
Pretoria,
0001



- 5.1.2. Contractors must advise the Chief Directorate: Contract Management, National Treasury and the Section: Government Fleet, National Department of Transport immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

5.2. Supplier Performance Management

- 5.2.1. Supplier performance management will be the responsibility of end-user departments and the National Department of Transport and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, National Treasury: Contract Management must be informed for corrective action.

5.3. Placement of Orders and Payments

- 5.3.1. Orders will be placed by participating departments who will be responsible for the payment to contractors for goods delivered and/or services rendered.
- 5.3.2. Each individual purchasing institution is responsible for generating the order(s) as well as the payment(s) thereof.
- 5.3.3. Order(s) will be placed as and when required during the contract period and delivery points will be specified by the relevant purchasing institution(s).
- 5.3.4. The instructions appearing on the official order form regarding the supply, dispatch and submission of invoices must be strictly adhered to. Under no circumstances should the contractor deviate from the orders issued by the purchasing institutions.
- 5.3.5. The State is under no obligation to accept any quantity which is in excess of the ordered quantity.

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6. POST AWARD REPORTING

6.1. Historical Data

6.1.1. The Contractor is required to submit historical value and volume reports via e-mail on a six (6) monthly basis to:

Contracts Management, National Treasury

Carlo Raffanti (Carlo.Raffanti@treasury.gov.za)

Mthokozis Ncobo (Mthokozis.Ncobo @treasury .gov.za)

and



National Department of Transport, Government Fleet

Andries Schoeman (SchoemaA@dot.gov.za)

Mlungisi Maphanga (Maphanga@dot.gov.za)

6.2. Submission of Reports

Period	Dates at which reports must be submitted
1	30 September 2014
2	31 March 2015
3	30 September 2015
4	31 March 2016
5	30 September 2016
6	31 March 2017
7	30 September 2017
8	31 March 2018
9	30 September 2018
10	31 March 2019

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SECTION III



CATEGORY A

1. CAPACITY

- 1.1. That the appointed staff will have the required levels of knowledge and skills to ensure that government's fleet is managed effectively and efficiently in terms of the services as set out in the contract.
- 1.2. The Contractor undertakes to ensure that it will acquire the necessary human resources in terms of the number of staff employed to provide the services that is set out in this contract.
- 1.3. The State reserves the right to conduct a due diligence as and when required.

2. TRAINING



- 2.1. The Contractor is required to submit a training schedule, which will be agreed upon prior to the commencement of the contract.
- 2.2. During the period of the contract, the Contractor shall provide training on an ad-hoc basis countrywide, to mainly but not limited to, staff from Government Motor Transport sections or as recommended by these sections.
- 2.3. Training courses shall address all related systems and specifically the use and control of cards and/or VIT devices as well as the procedures, which have bearing on this contract for example:
 - 2.3.1. General fleet management concepts;
 - 2.3.2. The purpose and method of accessing management reports;
 - 2.3.3. The implications of any system changes;
 - 2.3.4. Reporting of accidents and losses;
 - 2.3.5. Training of the vehicle user
 - 2.3.6. Risk management.
 - 2.3.7. Operational processes

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- 2.4. The training programme will be finalised with the Contractor within 3 months post award.
- 2.5. The Contractor shall provide the State with a manual on systems and procedures relating to the contract.
- 2.6. This training shall be provided to the State as part of the contract at no additional cost to the State.
- 2.7. The Contractor shall provide a competent dedicated training officer to facilitate and provide training at the premises of the various users of this contract on a continuous basis from the commencement of the contract, to nominated State officials on "best practices" within the practice of fleet management at no additional cost to the State.
- 2.8. The state will not require the Contractor to pay for any vehicle user training (in terms of the practical training in the application of the vehicle) as part of this contract, but will have to facilitate the transactions for such training.
- 2.9. The Contractor will be required to report on all training undertaken on a monthly basis in terms of training in the application of the vehicle as well as the cost thereof to the state. These transactions will be handled in the same way as any maintenance transaction and will need prior authorization from the user department. The state will pay the invoiced amount from the merchant only if prior authorization was received.
- 2.10. The training programme shall include at least the following: All course material, including the syllabus, equipment and consumables, excluding refreshments will be supplied by the service provider

3. CONSULTANCY FUNCTION

- 3.1. The Contractor must participate in State forums held on a monthly basis as coordinated by the Provincial Transport departments or when requested to do so. Pro-active participation and reporting at these sessions is required.
- 3.2. The Contractor shall present a critical evaluation of the State's fleet on at least a quarterly basis.

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- 3.3. The presentation, in a format and manner to be agreed with the respective organ of the State must deal with and shall not be limited to aspects such as vehicles utilisation, fuel and maintenance control, loss control, vehicle selection, risk management, fleet composition and any new technology designed to curb abuse and recommendations to improve the overall service.
- 3.4. The Contractor must provide an effective and efficient fleet management consultancy service to optimise the utilisation of the fleet.

4. COPYRIGHT AND OWNERSHIP OF DOCUMENTS

- 4.1. All documents produced by the Contractor, including its employees and agents, in the fulfilment of the terms of this contract shall be and remain the sole property of the State and any and all copyrights and ownership of documents shall vest with the State.
- 4.2. The Contractor, including its employees and agents, shall, on oral or written request from the State, submit any documentation and materials to the State within 24 hours of such request.

5. SECURITY AND CONFIDENTIALITY OF DATA

- 5.1. The Contractor undertakes to disclose information relating to the contract only to the parties stipulated in the contract, both during the contract period and subsequently.
- 5.2. Information may only be disclosed to outside sources with the prior, written approval from The National Department of Transport, SAPS or the Provincial Transport Departments where applicable.
- 5.3. To protect the database relating to State's fleet contract, the Contractor shall have in place, and shall maintain, suitable back-up procedures and disaster plans to protect data.
- 5.4. The Contractor shall back-up all electronic data on a daily basis. Any costs associated with the recapture and processing of data for whatever reason shall be borne by the Contractor.

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6. OWNERSHIP OF DATA



- 6.1. The State is, and remains, the sole owner of all data generated by the execution of this contract. The Contractor shall provide the data to the State or a third party only upon written requestor approval in paper and/or electronic format, from The National Department of Transport, SAPS or the Provincial Transport Departments where applicable.

7. SYSTEMS ENHANCEMENT

- 7.1. The Contractor shall constantly seek to enhance its systems and shall evaluate any new technology designed to curb fraud and abuse.
- 7.2. The Contractor's management information systems shall throughout the contract period have the capability to be enhanced / customised or provide for newly specified reporting in order to accommodate the State's changing business requirements.
- 7.3. The State shall be consulted before any significant changes to systems are effected and such enhancements should further not change any of the requirements of the State.
- 7.4. Should The State at any time require the use of any new technology in the market that has not been included within the contract, such can be sourced on the request of The State in line with the Change Control procedures as set out in this specification.

8. IMPLEMENTATION PLAN



- 8.1. The Contractor will be required to submit their implementation plan to the Department of Transport upon award of the contract.
- 8.2. The implementation plan should not take longer than six (6) months to execute.
- 8.3. The implementation plan of the successful Contractor may be altered after consultation and agreement with the State.

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- 8.4. The implementation plan should include reference to the physical presence required in all the provinces and not only limited to the provinces partaking in this contract.

9. FINANCIAL CONSIDERATIONS

- 9.1. The State will not authorize any payments for any amounts that are not reflected in terms of the pricing schedule.
- 9.2. The State will **not** pay funding interest on the purchase of fuel and oil and maintenance transactions.
- 9.3. The Contractor will need to ensure that they have access to funding to fund all transactions from government in terms of this contract until payment is received from the various end users of the contract.
- 9.4. The Contractor shall ensure that processes are set up to manage outstanding payments or payments not received from end user departments within the required 30 days. This will include notification of the Provincial Departments of Transport, National Department of Transport and National Treasury.
- 9.5. The State will not accept any charges for items that are not reflected in the pricing schedules submitted during the bidding process. The amount payable to the Contractor must be the amount reflected on the tax invoice less the discount offered by the merchants and any adjustments for any transactions under query by the State.
- 9.6. The invoice should be reconcilable with the transactions and all services should be clearly specified (VIT fees also). Reference to "other" is not acceptable unless specified per transaction.
- 9.7. The statement from the contractor must specify the transactions under the following headings in terms of products/ services procured:
- 9.7.1. Accessories
 - 9.7.2. Accident damage
 - 9.7.3. Car Wash
 - 9.7.4. Engine overhauls
 - 9.7.5. Drive Train repairs
 - 9.7.6. Fuel

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- 9.7.7. Maintenance
 - 9.7.8. Oil
 - 9.7.9. Other (required to be specified)
 - 9.7.10. Repairs
 - 9.7.11. Toll
 - 9.7.12. Training
- 9.8. Any further breakdown of charges as stipulated by the end user department may be required such as:
- 9.8.1. Batteries
 - 9.8.2. Card fees
 - 9.8.3. Steering mechanism repairs
 - 9.8.4. Air conditioner repairs
 - 9.8.5. Exhaust replacements and repair
 - 9.8.6. Cooling System repairs
 - 9.8.7. Wheels and suspension
 - 9.8.8. Auto Electrical repairs
 - 9.8.9. VIU fees
 - 9.8.10. Bank charges (Transaction charges)
 - 9.8.11. Tow-in cost
 - 9.8.12. Credits (The detail must be made available)
- 9.9. In addition to the above the provision in terms of the billing needs to be made to specify the following:
- 9.9.1. The monthly administration fee per vehicle
 - 9.9.2. Transaction fees –differentiation can be requested between the various transaction types.
 - 9.9.3. Payment to the Contractor will be done within 30 days of receipt of the approved tax invoice.
 - 9.9.4. The State will reconcile the monthly charges to transaction vouchers on a monthly/ weekly basis and any appropriate adjustments shall be effected in the following month's payment.

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9.9.5. A province will have the option to be billed per province or per department for payment as agreed to upon contract signature or upon implementation and as included in an annexure to the Service Level Schedule.



- 9.10. Contractors can offer settlement discounts for early payment by the user departments for payment within 1 day, 7 days, 14 days and 21 days. Such discounts if offered, must be expressed in terms of the total amount invoiced. If possible such discount should be offered in line with the reduction of the operational cost brought about by the early settlement of the account.

10. CONTRACTING PARTIES

- 10.1. The National Department of Transport will contract on behalf of the State.
- 10.2. Separate service level agreements schedules will be implemented for the State's User Departments. However, a transversal contract will be entered into by the State stipulating common contractual requirements.

11. USER SATISFACTION SURVEY

- 11.1. The Contractor must conduct an annual web based user satisfaction survey aimed at measuring the satisfaction of users with the services provided by Contractor. It must include a proposed user satisfaction index and a schedule of user satisfaction criteria. The survey will test user satisfaction levels in respect of the services provided via a representative sample and cross-section of users.
- 11.2. The State can also require the user satisfaction survey to be done manually should the impression exist that the user satisfaction survey as was conducted on the web base system is not representative.
- 11.3. The National Department of Transport will have to approve the questions to be used in the User Satisfaction Survey prior to the survey being conducted on an annual basis.
- 11.4. All callers that make use of the call centre will need to have the option to score or evaluate the service received once the call has been completed.

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- 11.5. The user satisfaction survey, which should be included in an annual report to the state should be done in terms of:



- 11.5.1. Merchants
- 11.5.2. Government user departments
- 11.5.3. Provincial Departments of Transport
- 11.5.4. The Provincial Heads: Supply Chain Management (SAPS only)

12. EQUIPMENT AND MATERIALS

- 12.1. The Contractor shall provide all equipment, materials, sundry items stationery, incur any delivery charges, postage, telephone, facsimile, photocopy costs and the like that may be required for purposes of the contract, as part of the cost of the contract.
- 12.2. The Contractor shall provide the under-mentioned equipment and materials to the State within 72 (seventy two) hours of the order thereof by the State:
- 12.2.1. Cards;
 - 12.2.2. VIU devices where required;
 - 12.2.3. Card Holders;
 - 12.2.4. Electronic card readers (for in-house fuel distribution points);
 - 12.2.5. Software needed for on-line access to reports, where applicable.

13. CHANNELS OF COMMUNICATION

- 13.1. For matters relating to the administration of the contract, the Contractor shall communicate with the National Treasury.
- 13.2. For operational queries, the Contractor shall communicate with SAPS, the relevant department or if necessary, the National Department of Transport.

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14. INSPECTION AND AUDIT



- 14.1. The State reserves the right to inspect and audit any document pertaining to this contract within five years of the date of expiry of the contract. This may also include queries and complaints. The Contractor shall provide any assistance free of charge that may be required in this regard. The cost of inspections and audits shall be borne by the State.
- 14.2. The State reserves the rights to conduct audits on the status of the contract and the Contractor shall provide any assistance free of charge that may be required in this regard.
- 14.3. Should any audit or inspection reveal that the Contractor has not complied with any of the terms of this contract, the Contractor shall be charged for the cost of the audit or inspection as well as the cost of any losses incurred by the State associated with such non-compliance

15. INSURANCE AND INDEMNITY

- 15.1. The Contractor must obtain professional indemnity insurance whereby the State is indemnified against any claim of whatever nature and however arising out of any wilful or negligent action or omission of the Contractor, its employees, subcontractors, and assignees.
- 15.2. In the event that any legal action, based on the wilful or negligent action or omission of the Contractor, its employees, subcontractors and assignees, is brought against the State, the State shall be entitled, inclusive, to recover from the Contractor the legal fees and disbursements on an attorney-client scale.

16. CHANGE CONTROL



- 16.1. Should the State or the Contractor as appointed in terms of this contract at any time require to amend any of the services as set out in these special conditions, add an additional related service or need to establish or specify the levels of a required service or need to make any other arrangement to streamline the deliverables as set out in terms of this contract the following process will apply:

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- 16.2. A request shall be made by either The State, through The National Department of Transport or the contractor through the individual appointed as the contract manager.
- 16.3. The other party shall acknowledge receipt of such a request and shall confirm its agreement with the proposal that was made.
- 16.4. Should the requested changes have any financial impact in terms of the pricing as included in the pricing schedule attached to this contract or in any other way, a submission shall be made to the Section: Contract Management at National Treasury.
- 16.5. Once approval has been granted by the Section: Contract Management at National Treasury the changes need to be signed off by both parties prior to implementation.
- 16.6. All changes as agreed to in terms of this process will form part of the actual agreement.

17. DISPUTE RESOLUTION PROCESS

- 17.1. The contractor must have a process in place to resolve any disputes that may arise in the payment or repairs required for a vehicle. Such disputes can be categorized into:
- 17.1.1. A dispute between the department and the merchant undertaking work on the vehicle,
- 17.1.2. between the Contractor and the merchant,
- 17.1.3. between the Contractor and the end user department,
- 17.2. It is imperative that the down time of the vehicle be reduced to the minimum irrespective of the dispute that exists.
- 17.3. The dispute resolution processes needs to address the following matters:



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- 17.3.1. The cause of the damage to the vehicle or part thereof needs to be established. This can include but is not limited to; neglect from the official, the wrongful application of the vehicle, a warranty claim, poor workmanship on a previous repair, damage resulting from an earlier accident or incident, parts failure or neglect from the merchant.
- 17.3.2. Depending on the cause of the damage, the responsible party will need to pay for the damage incurred. Should the contractor and the merchant or end user department not agree on the cause of the damage, the contractor shall at its cost appoint an independent third party in consultation with the end user department or the merchant to inspect the vehicle and establish the cause of the damage to the vehicle.
- 17.4. The entire process should be completed and the vehicle repaired within a maximum period 15 working days.
- 17.5. Should the end user department or the merchant not be satisfied with the outcome or report from the independent third party, the official or the merchant could in consultation with the contractor and at his or her own cost appoint another independent party to supply a report.
- 17.6. Should the second independent report be different from the first independent report, both the independent reports, the report from the merchant and that of the contractor will be provided to The National Department of Transport for a final decision.
- 17.7. The Contractor will need to ensure that the process is monitored and that the end user department is continuously informed of the progress via email.
- 17.8. Should the State or the contractors as appointed in terms of this contract at any time require to amend any of the services as set out in these special conditions, add an additional related service or need to establish or specify the levels of a required service or need to make any other arrangement to streamline the deliverables as set out in terms of this contract the following process will apply.

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18. RISK MANAGEMENT

- 18.1. The Contractor shall take adequate steps (including rotation of staff) to minimise the risk of collusion among its staff, merchants, and government officials. Furthermore, the Contractor's systems and procedures shall incorporate both preventative and detective safeguards capable of preventing and detecting fraudulent transactions.
- 18.2. The Contractor shall report in writing by facsimile or electronic mail (e-mail) to the State any suspected irregularities involving an official, or any other person immediately upon the suspicion arising.
- 18.3. The contractor shall ensure that all vehicles of the State, when delivered to the dealership or merchant, be covered for any damage of whatever nature or cause until the vehicle is collected by an official designated by the State to do so. In the event of total loss, the vehicle will be covered for book value plus the cost of any modifications done to the vehicle. The Contractor shall assist the State in investigating such irregularities by providing any evidence that it may have.
- 18.4. Information provided shall be sufficient to enable the State to institute investigations and / or take corrective action or institute disciplinary action against employees in the employment of The State. The Contractor will need to avail any of its staff at no additional cost to the State to assist in any investigations.
- 18.5. Any fruitless expenditure as a result of irregularities involving the staff of the Contractor or merchant will be for the account of the Contractor or merchants and shall not be paid for by the State.
- 18.6. The Contractor shall be required to be involved in establishing a risk management unit that will work closely with the appropriate authorities.
- 18.7. Where fuel and/or maintenance fraud can be proven, the Contractor has the right to recover any losses from individuals involved. Steps relating to the recovery of losses are outlined within Treasury Regulations 11 and 12 to which all State departments must conform.

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CATEGORY B

1. REQUIREMENT SUMMARY

This category deals with the requirements for the provision of the following:



- 1.1. A fuel, oil and toll card or where required fuel and oil card only
- 1.2. The administration of maintenance,
- 1.3. The administration of accident repairs
- 1.4. The facilitation of road side assistance and tow in services
- 1.5. A call centre facility
- 1.6. The provision of a Management Information System

2. CUSTOMER SUPPORT SERVICES



2.1. Call Centre

A call centre facility must be implemented by the contractor at no additional cost to the State for the logging, answering and resolution of queries. The call centre facility needs to fulfil the following requirements:

- 2.1.1. Operated 24 hours a day, 7 days a week.
- 2.1.2. A shared call option will need to be made available for departments contacting the Service Provider.
- 2.1.3. Shared call option will need to be made available for all suppliers and merchants contacting the Service provider.

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- 2.1.4. All calls between the State and the Contractor will need to be recorded for quality and training purposes and the State should have access to such recordings within 48hrs of an incident occurring.
- 2.1.5. The contractor shall ensure that 95% of all calls be attended to within 1 (one) minute in person. An automated telephone answering service does not constitute a call being "attended to"
- 2.1.6. Call centre operators must at least be conversant in English and in at least one of the other official languages. Should it be required a specific province can specify a secondary language.
- 2.1.7. The call centre function must be performed to address the needs of each specific province / user that partakes in the contract.
- 2.1.8. Should a province require a locally based call centre the cost thereof will be for the account of the province.
- 2.1.9. A quote per call centre terminal located in the province must be provided under the functionality scorecard, as it is an optional extra. The price offered for this call centre terminal will however not be used in the evaluation of this bid.
- 2.1.10. The main call centre at National level must be provided at no additional cost to the State.
- 2.1.11. The Contractor will need to establish a provincial office to support the call centre and would need to assist the provinces with the daily management of the contract. This includes fuel, repairs and maintenance management and needs to fulfil the individual needs of the relevant provinces.
- 2.1.12. The call centre will need to be fully functional at the time of implementation of the contract.
- 2.1.13. After hours the call centre will need to assist in terms of the management of roadside assistance, break down, towing, minor repairs, and relieve transport (as per agreement with the Provincial Transport Department or the relevant National Department) for an official after an incident.

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2.1.14. The contractor shall be capable of generating meaningful electronic call centre reports for feedback to the State (This will include, but are not limited to: average call waiting time, call duration, calls dropped etc.) – This information will need to be available per province (or user) and for the country as a whole and would need to be reported on, on a daily, weekly and monthly basis, either in electronic or in hard copy format as preferred by the individual clients and should only be relevant to calls logged by users of this contract.

2.2. Provincial Offices

2.2.1. From the commencement of the contract, the contractor shall have established physical presence in all relevant Provinces at the location agreed on with the province / department at the cost of the contractor.

2.2.2. These offices will need to have the presence of one capable individual per 1000 non-fuel transactions per month (Including transactions of National Departments operating within that area), and will need to adhere to the requirements of the relevant province.

2.2.3. The dedicated service consultants, must at least be able to perform the following tasks:

2.2.3.1. Assist departments and resolve issues that arise with the day-to-day operation of the contract;



2.2.3.2. Pro-actively analyse the State's fleet management costs as well as administration and provide fleet management advice and assistance to the State;

2.2.3.3. Assist Departmental Transport Control Officers and Transport Officers on the reports generated;

2.2.3.4. Act as central point for the collection of all documents related to the maintenance and administration thereof;

2.2.3.5. To co-ordinate and manage monthly and quarterly meetings;

2.2.3.6. Obtain knowledge of the State's business principles and accordingly assist with the optimisation of its fleet.

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2.2.4. The Contractor will be contractually required throughout the contract period to provide recommendations in order to optimally manage the fleet size and cost.

2.2.5. Skilled and experienced technicians (inspectors) should:

2.2.5.1. Assess vehicles in terms of maintenance authorisations;

2.2.5.2. Undertake pre and post repair audits on vehicles;

2.2.5.3. Be prepared to sign Accident Affidavits;

2.2.5.4. Undertake on-site inspections of merchants as and when required;

2.2.5.5. Be dedicated to skills transfer to State officials.

2.2.5.6. Be available to do daily inspections where required



3. TYPES OF REPORTS / INFORMATION

3.1. It is the responsibility of the Contractor to supply accurate and relevant management information on a continuous basis to allow for the management of the fleet's requirements. Given this fact, the Contractor shall have and maintain an IT system that allows the State to access and retrieve accurate and relevant management information from the Contractor within 24 hours.



3.2. In the event of termination or breach of contract, the Contractor shall provide its entire database containing the up-to-date information in respect of the State's fleet contract, in electronic format, within 24 (twenty-four) hours of such termination or breach, to the State. The cost of such transfer of information will be for the account of the Contractor.

3.3. The Contractor should upon request from The State be capable to alter, change or create new reports as and when requested.



3.4. The Contractor must have proven IT capability to provide management reports in hard copy and electronically from award date of the contract.

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- 3.5. The Contractor shall ensure that vehicle histories and transaction data relating to any vehicle is retained for the period of the contract even in the case where that vehicle's card has been withdrawn or cancelled.
- 3.6. The Contractor shall ensure that all kilometre readings as received from the forecourt be captured on their system. Should the kilometre reading as received from the forecourt need to be corrected, the incorrect kilometre reading as well as the reason therefore will need to be recorded and upon request be supplied to the state in a separate report.
- 3.7. All reports in terms of kilometre readings will need to be scrutinized prior to presentation to the state.
- 3.8. The Contractor's information system shall have the facility to provide information relating to the fleet at various levels, therefore with regard to the entire fleet, fleet per province or fleet per department, per category of vehicle and per vehicle.
- 3.9. The system shall allow for the printing of on-line reports by all parties who have authorised access to reports.
- 3.10. The user departments/provinces or divisions should first approve the electronic format of reports.
- 3.11. The contractor will need to enable information from a third party to be uploaded onto their system in an agreed format, should such information assist the state and the contractor to manage the government fleet and prevent fraudulent activities. This can include the service provider having access to tracking information etc.
- 3.12. Reports and reporting systems shall be user friendly:
- 3.12.1. Each report shall have a narrative heading which indicates the nature of the report and clearly identifies at least the Responsible Manager and the User Department / cost centre;
- 3.12.2. The reports / data required in an electronic format and hard copy shall be easily accessible through an efficient, user friendly menu system compatible with at least Microsoft Windows operating system;

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- 3.12.3. The Contractor must supply the State with a system/application in order for the state to analyse electronic downloaded data where required;
- 3.12.4. All reports must be exportable to at least a Microsoft Windows application;
- 3.12.5. The purpose of, and suggested usage for, each report shall be documented in "help" manuals and shall be addressed during training sessions conducted by the Contractor throughout the contract;
- 3.13. Printed reports that are required monthly shall be delivered within 7 (seven) working days of the cut-off date of that month;
- 3.14. Printed reports that are required weekly shall be made available within 24 hours of the cut-off date for that week.
- 3.15. The minimum required management reports that must be provided by the Contractor are required at the stated frequency, in the stated form and to the stated parties. Information supplied in the relevant reports should be sufficient to enable the State to institute investigations or take corrective action.
- 3.16. The contractor is required to capture the following information on its system and needs to be able to report on specific vehicles or the entire fleet. The user departments can request a report on any combination of the following information as set out below:
- 3.16.1. Fuel consumption in terms of litres per kilometre
 - 3.16.2. Total cost in terms of cents per kilometre
 - 3.16.3. Data dot information from replacement parts
 - 3.16.4. Age of the vehicle
 - 3.16.5. The cost per kilometre in cents
 - 3.16.6. User code
 - 3.16.7. Client Identification Code
 - 3.16.8. Sub site of vehicle operation
 - 3.16.9. GG number /SAPS number
 - 3.16.10. Vehicle licence registration number
 - 3.16.11. Engine number
 - 3.16.12. VIN/Chassis number
 - 3.16.13. Vehicle make
 - 3.16.14. Vehicle model

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- 3.16.15. Vehicle type
- 3.16.16. Vehicle series number
- 3.16.17. Province
- 3.16.18. Department
- 3.16.19. RT57 vehicle price
- 3.16.20. RT57 vehicle replacement value
- 3.16.21. RT57 bid reference number
- 3.16.22. RT57 bid date
- 3.16.23. Date of vehicle being stolen
- 3.16.24. Odometer reading at the time of theft
- 3.16.25. File number
- 3.16.26. Loss Control number
- 3.16.27. Recovery date of stolen vehicle
- 3.16.28. Odometer reading at time of recovery
- 3.16.29. Case number of stolen vehicle
- 3.16.30. Status of vehicle: Stolen / Recovered / Active
- 3.16.31. Officials name / Driver name
- 3.16.32. Contact details of official / driver
- 3.16.33. Withdrawal date of a vehicle
- 3.16.34. Odometer reading at the time of withdrawal
- 3.16.35. Shortfall / Excess in term projected kilometres
- 3.16.36. The period for which the vehicle was in use
- 3.16.37. Date of licence expiry
- 3.16.38. Date of licence received
- 3.16.39. Indication of all vehicles where licence has expired
- 3.16.40. List of cancelled fuel cards and the reasons therefore
- 3.16.41. Date of the cancellation of a fuel card
- 3.16.42. Reason for the cancellation of the fuel card
- 3.16.43. Order date of a fuel card
- 3.16.44. Expiry date of the fuel card
- 3.16.45. Possible transactions after the cancellation of the fuel card
- 3.16.46. Auction date of sold vehicles
- 3.16.47. Lot number of the vehicle auctioned
- 3.16.48. The selling price of the vehicle
- 3.16.49. Fuel cost per department per month / year
- 3.16.50. The kilometres travelled by a department per month / year
- 3.16.51. Date of a fuel transaction
- 3.16.52. Fuel transactions outside normal business hours
- 3.16.53. Fuel transactions over weekends and public holidays
- 3.16.54. List of vehicle over fills by registration / user department

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- 3.16.55. Vehicles awaiting maintenance / repairs but consuming fuel
- 3.16.56. The number of litres per transaction
- 3.16.57. The amount of the fuel transaction
- 3.16.58. The vehicle odometer reading
- 3.16.59. The kilometres between last fuel transaction
- 3.16.60. The merchant name
- 3.16.61. The reference number
- 3.16.62. Total fuel/ oil transaction values per month / year
- 3.16.63. Total values for repairs per month / year
- 3.16.64. Total values of toll fees per month / year
- 3.16.65. Total values for maintenance per month / year
- 3.16.66. Total values for accident damage per month / year
- 3.16.67. Total for transaction fees/ monthly fees per month / year
- 3.16.68. Total cost of VIT units / fitments / maintenance
- 3.16.69. Card number of a toll transaction
- 3.16.70. Tag number of a toll transaction
- 3.16.71. Total amount of toll transactions per vehicle
- 3.16.72. Total amount of toll transactions per department /user
- 3.16.73. Vehicles information and the corresponding eTag
- 3.16.74. Name of the toll gate / gantry used
- 3.16.75. The lane used at the toll gate
- 3.16.76. The time that the toll gate was used
- 3.16.77. The category/ class vehicle that was charged for
- 3.16.78. The amount of the toll transaction
- 3.16.79. Any exceptions in terms of toll transactions
- 3.16.80. A consolidated statement of all cost incurred
- 3.16.81. A list of all merchants
- 3.16.82. The number of transactions per merchant
- 3.16.83. The value of the transactions per merchant
- 3.16.84. The turnaround time of maintenance per merchant
- 3.16.85. The turnaround time of vehicle inspections
- 3.16.86. Merchant affiliation to merchant association.
- 3.16.87. The BBBBEE status of the merchant
- 3.16.88. Certificate or reference of BBBEE certification
- 3.16.89. Last confirmation date of BBBEE credentials
- 3.16.90. The active Vehicle Identification Units (VIU)
- 3.16.91. The dormant Vehicle Identification Units (VIU)
- 3.16.92. Litres of fuel disbursed to vehicles fitted with VIU technology
- 3.16.93. The number of E- fuel transactions
- 3.16.94. Number of bank card transactions on vehicles fitted with VIU



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- 3.16.95. The number of over fills
- 3.16.96. The value of all VIU transactions
- 3.16.97. VIU transactions for all units that is not operational
- 3.16.98. The average distance travelled by a vehicle month / year
- 3.16.99. The total distance travelled with a vehicle per month / year
- 3.16.100. Total days per month that a vehicle was utilized
- 3.16.101. Daily tariffs as charged by Government Garages
- 3.16.102. Kilometre tariff charged by Government Garages
- 3.16.103. Weekly tariffs as charged by Government Garages
- 3.16.104. Monthly tariffs as charged by Government Garages
- 3.16.105. A log sheet register per vehicle with the log sheet number
- 3.16.106. Filing number of the log sheet
- 3.16.107. Start date of the log sheet
- 3.16.108. End date of the log sheet
- 3.16.109. Sequence of log sheets
- 3.16.110. User name and User code per log sheet
- 3.16.111. Distances travelled per log sheet
- 3.16.112. Start kilometre as indicated on log sheet
- 3.16.113. End kilometre as indicated on log sheet
- 3.16.114. Maintenance / Repairs attributed to abuse
- 3.16.115. Vehicles reflecting abnormal tyre wear
- 3.16.116. Details of variances in fuel consumption
- 3.16.117. Vehicles that travelled less than a set kilometre limit
- 3.16.118. Vehicles that exceeded the replacement distance
- 3.16.119. Vehicles that have missed routine maintenance
- 3.16.120. Vehicles standing at a merchant for longer than a specified period
- 3.16.121. New cards issued
- 3.16.122. A dormant card report
- 3.16.123. New and old engine numbers where engines have been replaced
- 3.16.124. Details of transactions labelled as "other transactions"
- 3.16.125. Preferred supplier listings
- 3.16.126. Report in terms of all breakdowns
- 3.16.127. Tyre serial number and date of manufacturing
- 3.16.128. Tyre fitment cost break down into actual tyre cost, wheel alignment, wheel balancing, nuts, rims etc.
- 3.16.129. Information in terms of suspected driver abuse
- 3.16.130. Information in terms of proven driver abuse
- 3.16.131. Tank capacity
- 3.16.132. Additional fuel tank capacity
- 3.16.133. Gear box type



- 3.16.134. Fuel type
 - 3.16.135. List of replacement fuel cards
 - 3.16.136. Number of drive wheels and type of vehicle
 - 3.16.137. Authorizations done on maintenance and repair transactions that is lower than the set limit per end user department.
 - 3.16.138. Any other operational information that may reasonably be required
- 3.17. The contractor is required to indicate **where, when** and with **what regularity** the data as set out above will be captured and what measures will be taken to ensure the accuracy of the data.
- 3.18. Should any other operational information as recorded by the Service Provider be required by the state a request can be made to include the information in the reporting.

4. PROVISION OF A CARD



- 4.1. The contractor shall supply one card for each vehicle under this contract according to the specifications as set out.
- 4.2. This card shall be used to effect payment for fuel, oil and toll fees. In the Department(s) / Province(s) where VIT has been implemented, the card issued will be for the payment of toll fees and identification purposes.
- 4.3. The cards for SAPS shall only be for the payment of oil and fuel and not for the payment of any toll fees.
- 4.4. Cards/ devices issued with incorrect details will be for the account of the Contractor.
- 4.5. The Contractor shall issue a card on commencement of the contract, or a replacement card, only to the Fleet Responsibility Manager, on written instruction contained in an agreed form.
- 4.6. Cards that have become unusable due to over use or any other reason will need to be replaced at the expense of the contractor.

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- 4.7. Any card that is issued to the State that is lost, misplaced or no longer required for vehicles to be withdrawn, or written off or that was only in temporary use of the state, and does not require replacement shall be at no cost.
- 4.8. The cards must be delivered to the Fleet Responsibility Manager or in the area of operation as requested by the State by a trusted and secure courier service.
- 4.9. All transactions must be done electronically except in the case of exceptional circumstances such as power failures etc., should such circumstances occur, all transactions of this nature must be captured manually by the contractor.
- 4.10. All cards, irrespective whether it is new or a replacement card shall not expire on a date later than the date of the expiry of this contract. The Contractor shall not charge the State for the cost of replacement cards or the distribution thereof.
- 4.11. Any card transactions done after government cancelled the card will be for the account of the Contractor. These transactions must be omitted from the normal fuel reporting to government.
- 4.12. The following information or a combination thereof must appear on the card to meet the requirements of the relevant user department:
- 4.12.1. Licence number of the vehicle;
 - 4.12.2. Classification code;
 - 4.12.3. Vehicle make, model and engine capacity;
 - 4.12.4. Engine number;
 - 4.12.5. VIN – Vehicle Identification Number;
 - 4.12.6. Tank capacity in litres;
 - 4.12.7. Expiry date of card;
 - 4.12.8. Name and logo of relevant User department. (if required)
 - 4.12.9. Any form of vehicle driver identification
 - 4.12.10. Fuel type
 - 4.12.11. Colour
- 4.13. The Contractor shall capture the following accurate and valid data which must be confirmed with the relevant Department(s) / Province(s) for each new card included in the contract:
- 4.13.1. Licence number;
 - 4.13.2. Classification code;

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- 4.13.3. Date of registration;
 - 4.13.4. Government classification code;
 - 4.13.5. Make, model and engine capacity;
 - 4.13.6. Engine number;
 - 4.13.7. Chassis number;
 - 4.13.8. Colour of the vehicle;
 - 4.13.9. Tank capacity;
 - 4.13.10. Additional Tank capacity
 - 4.13.11. Purchase price;
 - 4.13.12. Departmental and user code allocated to the vehicle;
 - 4.13.13. Cost centre code as provided by Contractor;
 - 4.13.14. Life-to-date transaction history;
 - 4.13.15. Life to date costs;
 - 4.13.16. Name, address, telephone and facsimile numbers (and e-mail address, if available) of Departmental Transport Officer and Fleet Responsibility Manager;
 - 4.13.17. Replacement mileage/ life span and replacement date of vehicle.
 - 4.13.18. Drive wheels
 - 4.13.19. Gearbox type
 - 4.13.20. Fuel type
- 4.14. A report can be requested from the Contractor with the details and information on all transactions on the cancelled or dormant cards.
- 4.15. The BIN Number that belongs to the State will be shared among all the State's user departments. SAPS require their own BIN number that will be used by SAPS only. SAPS would furthermore require a 12-digit code.
- 4.16. This information captured on the system of the contractor will need to verify all the particulars of the specific vehicles, due to possible alterations in the manufacturing of the vehicle or alterations made by the State (e.g. an additional fuel tank fitted on a vehicle). The system of the Contractor to the State will need to make provisions for the exceptions of vehicles not manufactured according to the standard specifications.
- 4.17. Delivery shall need to take place within 24 – 48 hours of receipt of the written or electronic instruction in the agreed form. There shall be no charge for the delivery of a new or replacement card.

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- 4.18. The contractor will be required to implement a system to identify the driver of the vehicle on the forecourt at the time of the fuel transaction-taking place. Irrespective of the method to be used, the contractor will be required to quote a monthly fee additionally for this service, as not all users of this contract will require this service.
- 4.19. The system must be of such a nature that fuel may only be dispensed to a vehicle once the vehicle and driver has been positively identified.
- 4.20. Service delivery is of utmost importance for the users requiring the system of driver identification and therefore there must be no downtime as a result of installation of equipment or the recalibration thereof into any vehicle.
- 4.21. A system that makes provision for online/ electronic ordering/cancellation and replacement of fuel cards / devices will need to be put in place by the contractor without any additional cost to The State.

5. LICENSING

- 5.1. The Contractor will need to make a service available to the end user departments of the contract, to allow for the renewal of vehicle license disks. This service shall at least include the following:
- 5.1.1. The actual renewal, payment and collection of license disks from the local license issuing authority.
- 5.1.2. Reporting on license disk and the expiry dates thereof.

6. TOLL FEES

- 6.1. The Contractor will need to provide government with the required payment methods for paying toll fees, whether it forms part of an existing fuel card function or whether electronic tags are required.
- 6.2. SAPS are exempt from paying toll in accordance with legislation. Under no circumstances may the card/device be used for payment for toll or any "other" transactions except fuel and top up oil.



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- 6.3. The Contractor shall upon receiving the request for the fitment of an electronic tag for the payment of toll fees, submit the request to SANRAL.
- 6.4. Some users that are exempted from paying toll may request the service provider to provide them with the electronic tag.
- 6.5. The Contractor shall be responsible for applying for any replacement tags that may be required by the end user departments.
- 6.6. The Contractor shall be responsible for the payment to SANRAL within the required time frames.
- 6.7. The Contractor will manage queries with SANRAL in terms of eTolling as lodged by the end user department.
- 6.8. The payment of toll fees with a fuel card will need to be incorporated with the requirements for a fuel card as set out in these specifications and will only be applicable to Category AB Item 2.



7. FUEL

7.1. Provision of Fuel and the Management thereof

- 7.1.1. Any authorized individual using the State's vehicles must have the facilities to enable refuelling of vehicles at any location in South Africa including a fuel card option or the use of VIT technology through the appointed service provider.
- 7.1.2. The Contractor shall provide electronic payment facilities to enable refuelling of vehicles at any location in South Africa in terms of on road fuelling.
- 7.1.3. The State reserves the right to negotiate the fuel price in the event that fuel prices are deregulated by legislation during the contract period.
- 7.1.4. A discount is to be negotiated by the contractor on behalf of the state with fuel suppliers in terms of all Diesel procured by the state should legislation allow for it.

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- 7.1.5. Any rebate, reconciliation thereof and the collection thereof will need to be done on behalf of the state by the contractor and refunded to the State should legislation allow for such negotiations to be undertaken.
- 7.1.6. All manual transactions must be captured within 48 hours of receiving it from the State. These transactions will need to be included in the normal reporting.
- 7.1.7. In respect of merchants that supply fuel and oil, the State will refute a claim for payment where:
- 7.1.7.1. There is a possibility that it may be illegal / unlawful and the claim relates to a fuel transaction where more litres of fuel than is illustrated by the tank capacity printed on the card plus 10%, was dispensed; or
 - 7.1.7.2. The claim relates to a fuel transaction at a merchant within a 24 hour period during which the same vehicle's tank has been refuelled at least twice within the same day; or
 - 7.1.7.3. It relates to purchases other than fuel, oil or toll fees; or
 - 7.1.7.4. The odometer reading has not been submitted; or
 - 7.1.7.5. An invalid card had been used.
- 7.1.8. The Contractor shall provide the State with facilities to collect the following information in terms of the government off road fuel sites (in terms of the bulk fuel RT70 contract):
- 7.1.8.1. The number of fuel fill ups for government vehicles per site
 - 7.1.8.2. A method of authentication ensuring that the actual vehicle is present on the site during refuelling
 - 7.1.8.3. The number of refills per vehicle per site and the litres of fuel pumped per vehicle and the current kilometre reading of the vehicle.
 - 7.1.8.4. The information in terms of the fuel consumption of the vehicle and kilometre reading of the vehicle will need to be updated along with the information collected on the on road sites.

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7.1.8.5. Should the price of fuel be deregulated the service provider will be required to administer all rebates or discounts received and ensure that the amounts be paid over to the various user departments.

7.1.8.6. All volumes of fuel pumped on the home based sites will need to be included where possible in terms of the reporting, but not in terms of the billing.

7.1.8.7. A device to collect the transactions from a bulk fuel site

7.2. Control over Merchants that Supply Fuel, Oil and Toll

7.2.1. The Contractor's contract with each merchant may stipulate the conditions under which the Contractor shall refute claims without the State being charged. A claim shall be refuted where:

7.2.1.1. The transaction to which it relates is for any reason illegal or unlawful;

7.2.1.2. The claim relates to a fuel transaction where more litres of fuel than is illustrated by the tank capacity printed on the card plus 10%, was dispensed;

7.2.1.3. The claim relates to more than two (2) fuel transactions within a 12 (twelve) hour period by the same vehicle at the same merchant, unless such a transaction can be verified as a requirement by the specific end user;



7.2.1.4. Full details are not recorded on the voucher;

7.2.1.5. Details recorded on the voucher are not clearly legible;

7.2.1.6. It relates to purchases other than fuel, oil or toll fees;

7.2.1.7. An invalid card is used;

7.2.1.8. A cancelled card is used;



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- 7.2.1.9. The price charged is in excess of a price considered reasonable for that type of fuel, oil or toll.
- 7.2.2. The Contractor's contract with each merchant shall stipulate the need for the merchant to utilise an electronic card reader or device to facilitate transactions.
- 7.2.3. In respect of toll transactions, the merchant shall charge the State the aggregate amount of toll transactions for each vehicle in respect of each individual tollbooth.
- 7.2.4. The contractor shall supply the State with a roll down of all toll transactions, should this not be available, the Contractor shall make available all toll transactions in an image format (scanned copy of the transaction list). This will not be required on all vehicles from SAPS as they are exempted from paying any toll fees.
- 7.2.5. The Contractor's contract with each merchant shall stipulate the need for the merchant to retain all documents relating to transactions for a minimum of 3 (three) years from date of transaction.



8. MAINTENANCE

8.1. Maintenance Authorization Procedures



- 8.1.1. In terms of the maintenance of vehicles, there will not be any exclusivity to the service provider appointed in terms of this contract. Where the state can provide the service in-house by way of its government garages or internal workshops or any other means that the State may select it will be allowed to do so. This can include the Contractor to facilitate transactions of products and/or services as contracted through other government contracts by registering the contractors as suppliers on the database.
- 8.1.2. The National Department of Transport will agree with the successful Contractor on the methodology to be followed in the allocation of work to merchants. (Addendum B)

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- 8.1.3. The Contractor shall, on receiving a telephonic request for maintenance of a vehicle from the State, immediately instruct the State telephonically to deliver the vehicle to an approved merchant closest to the location of the vehicle as per the methodology set out in Addendum B.
- 8.1.4. The Contractor shall authorise maintenance based on a written quotation supplied by a merchant / in-house workshops.
- 8.1.5. The Contractor will be responsible to verify the correctness of all invoices received and to ensure that all invoices are received and included in the statement to government within 60 days after completion of the work.
- 8.1.6. The penalties as set out in the General Conditions of Contracting will be applicable when the 60-day period is not met.
- 8.1.7. The Contractor shall be mandated and limited to authorise amounts as agreed upon by the State in accordance with a procedure to be defined in the Service Level Schedule.
- 8.1.8. The Contractor must pay the lower of the quoted price or invoiced price.
- 8.1.9. Quotations exceeding these agreed amounts or limits as set by the end user departments (By default R3000,00 or as requested by the end user departments) must be authorised by the Fleet Responsibility Managers /identified SAPS personnel to which the vehicles requiring maintenance are allocated after scrutiny of the quotation by the Contractor.
- 8.1.10. The Contractor shall ensure that no vehicles are serviced or any maintenance is undertaken on a vehicle at a merchant that will jeopardise the warranty on the vehicle unless requested to do so in writing by government.
- 8.1.11. The contractor shall ensure that all information related to service and maintenance plans are captured on the system and that these maintenance and service plans are optimally utilized. All work undertaken under this maintenance or service plans needs to be reflected in vehicle history.
- 8.1.12. The Contractor shall ensure and verify a maintenance quotation to reflect at least the following:

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- 8.1.12.1. Accurate vehicle identification information, including the chassis number and odometer reading and a description of the vehicle;
- 8.1.12.2. Detailed description of work as well as cost (labour charges, cost of parts as well as % discount on parts);
- 8.1.12.3. The driver's name and telephone number;
- 8.1.12.4. The estimated time required for completion of the work.
- 8.1.13. The Contractor must check in detail the technical aspects and pricing of the quotation and must ensure that all quotes are in line with national norms and / or benchmark prices. In this regard, the Contractor shall:
 - 8.1.13.1. Have on-line computer access to all vehicle spare part prices and labour costs;
 - 8.1.13.2. Have access to manufacturer's "recall programs" and "service bulletins";
 - 8.1.13.3. Negotiate discounts with merchants on behalf of the State and pass this on to the State;
 - 8.1.13.4. Have a system that is capable of automatically registering warranty claims;
 - 8.1.13.5. Institute and negotiate warranty and policy claims with merchants in conjunction with the State;
 - 8.1.13.6. Have a system capable of automatically registering repeat work or repairs resulting from abuse;
 - 8.1.13.7. Consider the life-to-date / life span costs of the vehicle in collaboration with the State before any authorisation of maintenance transaction; and
- 8.1.14. The contractor shall commission technicians, at the Contractor's cost, to perform pre- and post- repair inspections of the State's vehicles that have undergone or will be undergoing maintenance at merchants:

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8.1.14.1. Where the transaction value was in excess of the value documented in the Department/Province specific Service Level Schedules;

8.1.14.2. For 25% (in number) of all transactions where the transaction values were below the value documented in the Department/Province specific Service Level Schedule.

8.1.14.3. Maintain detailed records of all such inspections and shall provide a monthly report to the State summarising findings.

8.1.14.4. When requested by the State to inspect a specific vehicle

8.1.15. The National Department of Transport will agree with the successful Contractor on the methodology to be followed in the allocation of work to merchants

8.2. Control over Merchants that Supply Maintenance Services and Repairs

8.2.1. The Contractor is required to submit a pro-forma merchant agreement to the State when requested to do so.



8.2.2. The Contractor shall be responsible for any loss or damage to a government vehicle while the vehicle is at premises of a contracted merchant as well as:

8.2.2.1. Should the vehicle be damaged to the extent that the vehicle can be repaired, the contractor shall cover all the cost in relation to the repair of vehicle.

8.2.2.2. In the event of a total loss, the Contractor shall pay to the State an amount equal to the book value of the vehicle within 90 days of the date of the loss.

8.2.2.3. Should a vehicle be recovered within the 90 days, with the possible damage, the Contractor will be responsible to the repair of the vehicle at his cost.

8.2.2.4. Should a vehicle be recovered after 90 days, the ownership of the vehicle will be transferred to the Contractor upon payment of an

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amount equal to the book value of the vehicle, including any additional fitment to the vehicle.

8.2.3. The Contractor will need to ensure that services as received from the merchant will conform to certain minimum standards. These standards will need to be included in the Merchant agreement signed between the Contractor and the merchant.

8.2.4. The Contractor will on a constant basis evaluate the services rendered by merchants to ensure that all work undertaken on government vehicles conform to certain minimum requirements.

8.2.5. The Contractor shall maintain an approved list of merchants, and in this regard shall undertake to:

8.2.5.1. Approve merchants based on certain minimum standards set by the State, which has been graded, and are members of the Retail Motor Industry (RMI), the South African Motor and Body Repairers' Association (SAMBRA) or any other accredited agencies.



8.2.5.2. Make available to the State a list of all approved merchants and ensure that the list is updated at least every 3 months.

8.2.5.3. Monitor merchants' compliance with standards on a regular basis.



8.2.5.4. The contractor should not allow the fitment of any parts to a vehicle that are stolen or exceeds the industry norms and standards. Should any parts have been fitted without prior authorization by the State, the total transaction cost will be for the account of the contractor.

8.2.5.5. Merchant's must, when replacing an engine, ensure that the replacement engine or all new part are Micro-dotted in terms of Regulation 56(1A) of the National Road Traffic Act, 1996 (Act no. 93 of 1996)



8.2.5.6. Upon request of the State the contractor can assist with the procurement of parts that is not supplied by the vehicle manufacturer in order to reduce cost, on specifically older vehicles. Upon the approval of the State, the Contractor should notify the State of the forfeiting of any possible warranties or guarantees.

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- 8.2.5.7. Take appropriate action (including but not limited to removal from the approved list) when merchants do not comply with standards.
- 8.2.5.8. Take appropriate action (including but not limited to removal from the approved list) on receiving complaints from the State regarding the level of service or quality of maintenance services.
- 8.2.5.9. Take appropriate action (including but not limited to removal from the approved list) when merchants are suspected of being involved in fraud or irregularities.
- 8.2.5.10. Include SMME's and merchants owned by Historically Disadvantaged Individuals.
- 8.2.5.11. Ensure that there are approved merchants located throughout the country, to allow convenient access by the State.
- 8.2.5.12. The State requires the following minimum standards of merchants and the Contractor shall incorporate these into its written contracts with merchants:
- 8.2.5.13. The merchant shall bear the responsibility of verifying the Vehicle Identification Number and the car registration number as on the registration disc of the vehicle with information depicted on the card.
- 8.2.5.14. Merchant shall take full responsibility for damages that may occur to vehicles whilst at the premises of the merchant.
- 8.2.5.15. Merchants shall supply a written quotation to the Contractor within three (3) hours of receiving a request to do so in fax or electronic format.
- 8.2.5.16. Depending on the capacity of the merchant, the maximum number of the State's vehicles to be held at any point in time by the merchant shall be specified.
- 8.2.5.17. Merchants shall not levy storage fees or any similar such charges for vehicles before, during or after maintenance have been undertaken.

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- 8.2.5.18. Merchants shall provide a 12-month warranty on all workmanship.
- 8.2.5.19. Merchants shall endeavour to complete maintenance within the time specified in the quotation.
- 8.2.5.20. Merchants shall have adequate job scheduling, costing systems and benchmark software to ensure a standardised quote / authorisation approach.
- 8.2.5.21. Merchants shall inform the State when a vehicle is ready immediately on completion of maintenance or repairs.
- 8.2.5.22. Merchants shall not hold vehicles pending payment for the maintenance affected.
- 8.2.5.23. Merchants shall secure the State's vehicles adequately during tow-in or while on their premises.
- 8.2.5.24. Merchants shall be held liable for theft of vehicle parts and accessories from State vehicles whilst in their care.
- 8.2.5.25. Merchants must report on the % of work completed and request a time extension when required.
- 8.2.5.26. Merchants shall only release the State's vehicles to properly authorised officials.
- 8.2.5.27. Merchants shall immediately notify the Contractor who in turn shall inform the State of vehicles not collected in accordance with terms to be agreed in Service Level Schedules.
- 8.2.5.28. Merchants shall retain all documents relating to transactions for a minimum period of 3 (three) years of the transaction date.
- 8.2.6. The Contractor's contract with a merchant shall stipulate the conditions under which a claim from a merchant shall be refuted. A claim shall be refuted where:

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- 8.2.6.1. The transaction to which it relates is for any reason illegal or unlawful;
- 8.2.6.2. No authorisation was obtained from the Contractor prior to commencing maintenance;
- 8.2.6.3. The State informs the Contractor that the maintenance has not been affected properly and this has been confirmed by a technical report commissioned by the Contractor.
- 8.2.7. The Contractor shall supply each Fleet Responsibility Manager/SAPS identified personnel with the list of approved merchants, sorted by location, on execution of this contract, on every occasion that the list of approved merchants is amended, and otherwise on request pending an investigation.
- 8.2.8. The Contractor shall ensure that merchants that have been removed from the approved list for any reason shall not be allocated or paid for any work whatsoever in terms of this contract.
- 8.2.9. The Contractor shall be responsible for resolving disputes with merchants, irrespective of the nature of the dispute. The State undertakes to support the Contractor in dispute resolution by providing the contractor with any information or evidence that the State may possess.
- 8.2.10. There shall be a valid standard contract agreement in place, signed and dated by the Contractor and the merchant, before the merchant can conduct any maintenance services on behalf of the State.
- 8.2.11. The Contractor shall supply the National Department of Transport and SAPS with a standard merchant agreement 90 days after award of the contract and subsequently on every occasion that the standard merchant agreement is amended.

9. ADDITIONAL INFORMATION TO BE SUPPLIED BY THE CONTRACTOR

- 9.1. The following information should be made available by the contractor upon request.



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- 9.2. Warranties, service plans, maintenance plans and motor plan inclusions and exclusions for all makes and models in the State's vehicle fleet.
- 9.3. The latest resale values of all makes and models in the State's vehicle fleet.

10. ACCIDENT REPAIRS

10.1. Accident repairs and authorisation procedures

- 10.1.1. To minimize the turnaround time in terms of accident repairs with consideration to the requirements within the Province and the number of accidents within a province or region, the Province or National Department can request the contractor to appoint an assessor on a full time or part time basis.
- 10.1.2. In the case of body repairs, the Contractor shall invite three merchants to quote for the repair of the vehicle. Where a Department / Province or the Contractor has appointed an assessor or make use of the Audatex system, only one quotation is required. Final terms will be agreed to within the Department/Province specific Service Level Schedule.
- 10.1.3. The Technical Inspector(s) and assessors as employed by the contractor must be prepared to sign Damages Affidavit (DA) at no additional cost, if necessary.
- 10.1.4. The Contractor will be responsible to verify the correctness of all invoices received and to ensure that all invoices are received and included in the statement to government within 60 days after completion of the work.
- 10.1.5. The penalties as set out in the General Conditions of Contracting will be applicable when the 60-day period is not met.
- 10.1.6. The Contractor shall be mandated and limited to authorise amounts as agreed upon by the State in accordance with a procedure to be defined in the Service Level Schedule.
- 10.1.7. The Service Provider must pay the lower of the quoted price or invoiced price. Quotations exceeding these agreed amounts must be authorised by

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the Fleet Responsibility Managers/ identified SAPS personnel to which the vehicles requiring repairs are allocated after scrutiny of the quotation by the Contractor.

10.1.8. The Contractor shall ensure and verify that quotations for any repairs reflects at least the following:

10.1.8.1. Accurate vehicle identification information, including the chassis number and odometer reading and a description of the vehicle;

10.1.8.2. Detailed description of work as well as cost (labour charges, cost of parts as well as % discount on parts);

10.1.8.3. The driver's name and telephone number;

10.1.8.4. The estimated time required completing the work.

10.1.8.5. The turnaround time of all work completed

10.1.9. The Contractor must check in detail the technical aspects and pricing of the quotation and must ensure that all quotes are in line with national norms and / or benchmark prices. In this regard, the Contractor shall:

10.1.9.1. Have on-line computer access to all vehicle spare part prices and labour costs;



10.1.9.2. Have access to manufacturer's "recall programs" and "service bulletins";

10.1.9.3. Negotiate discounts with merchants on behalf of the State and pass this on to the State;

10.1.9.4. Have a system that is capable of automatically registering warranty claims;

10.1.9.5. Institute and negotiate warranty and policy claims with merchants in conjunction with the State;

10.1.9.6. Have a system capable of automatically registering repeat work or repairs resulting from abuse;

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10.1.9.7. Consider accident history of the vehicle in collaboration with the State before any authorisation of transaction;

10.1.9.8. Identify repeat repair and return jobs per merchants to ensure that industry norms and standards are met.

10.1.10. Commission technicians, at the Contractor's cost, to perform pre- and post- repair inspections of the State's vehicles that have undergone or will be undergoing repairs at merchants:

10.1.10.1. Where the transaction value was in excess of the value documented in the Department/Province specific Service Level Schedule; and

10.1.10.2. For 25% (in number) of all transactions where the transaction values were below the value documented in the Department/Province specific Service Level Schedule.

10.1.10.3. Maintain detailed records of all such inspections and shall provide a monthly report to the State summarising findings.



11. MEASUREMENT OF PREFERENTIAL PROCUREMENT

11.1. The Contractor shall ensure that the requirements as set out in the Broad Based Black Economic Empowerment Act, Act no 53 of 2003 as amended. (BBBEE Act, as amended) is implemented as part of the contract.

11.2. The Change Control procedures as set out in this document will be followed in the event that there is a substantial change to the current requirements as contained in the legislation.

11.3. The State can at any time during the contact period request a full audit to be done on the requirements for BBBEE expenditure and reporting as set out in this contract. The cost of the audit will be carried by the State.



11.4. The Contractor shall be required to ensure the following:

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- 11.4.1. That all service providers on the contract obtain a BBBEE certificate as issued by a SANAS (South African National Accreditation System) accredited verification agency.
- 11.4.2. That service providers rendering services under the contract are at all times in possession of a valid BBBEE certificate.
- 11.5. The Contractor shall keep a database containing the details of BBBEE accreditation certificates. This will include the date of the certificate being issued, the company that issued the certificate, the BBBEE level obtained as specified on the certificate, the certificate number, a breakdown of the BBBEE point scored in terms of employment equity, skills development, preferential procurement etc., ownership and the expiry date of the certificate.
- 11.6. The contractor shall report to the State on a monthly basis or when requested on the following information:
- 11.6.1. The number of service providers per level in terms of their BBBEE accreditation certificate.
- 11.6.2. The total expenditure per level in terms of the BBBEE accreditation certificate. This information will also need to be available per province, per department or per vehicle make or type.
- 11.6.3. The expenditure per category (EME's, QSE's and large) in terms of ownership
- 11.6.4. Database of B-BBEE companies operating as locals
- 11.7. Ensuring B-BBEE targets are met in accordance to the DTI Generic Codes especially procurement and enterprise development elements
- 11.8. Have full plan on how they will involve local black owned companies or EME's in procuring services from them or give business

12. TOW-IN SERVICES AND ROAD SIDE ASSISTANCE

- 12.1. In respect of tow-in services, the Contractor shall, on receiving a request from a driver, traffic officer, Fleet Responsibility Manager or Departmental Transport



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Officer or SAPS identified personnel, arrange for a reputable tow-in service to tow the vehicle to an approved merchant, which is closest to the location of the vehicle.



- 12.2. The Contractor must supply a sticker which should only be affixed in consultation with the State, advising that the vehicle must not be towed without its authority and presenting the shared call telephone number of the Contractor, to the windscreen and rear window of each vehicle.
- 12.3. The Contractor must advise the State entity that owns the vehicle by e-mail or facsimile of every vehicle towed-in with details of the approved merchant, the reason for towing service and where the vehicle is physically located. A summary report must be provided to the State of any tow-in services on a daily basis.
- 12.4. The risk of loss or storage charges for authorised tow-ins shall be carried by the contractor.
- 12.5. Records of full process and timelines to be tracked and reported on i.e. call time, pick up, allocated merchants etc.

13. CONTRACT LEAD OUT AND FINALIZATION

- 13.1. The Contractor shall make the following data as generated during the execution of the contract or as received from previous contractors available to the State or any other third party as nominated by the State in the agreed upon format:
 - 13.1.1. All Life to Date data per vehicle
 - 13.1.2. List of all user departments, including contact details
 - 13.1.3. All mandates as signed by the end user departments
 - 13.1.4. List of all merchants, including contact details, location, amounts spent, BBBEE status and industry bodies that they belong to
- 13.2. The Contractor will need to assist the State, in the event of the contract being awarded to another contractor at the end of the contract period. This can include:

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- 13.3. Providing all information that will assist in the transition between the current contractor and the new contractor including a breakdown of transactions that are currently in the process, but have not been completed as yet, such as vehicles where approvals were not yet granted, but where the vehicle are already at the merchant.
- 13.4. The transfer of the required BIN's and any interaction that will be necessitated with other third parties to complete such processes.
- 13.5. As part of the lead out processes, all outstanding bills will need to be submitted to end user departments within a period of 180 days from the date of contract termination.

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CATEGORY C

1. REQUIREMENT SUMMARY

- 1.1. All Vehicle Identification Devices is in line with the State's aim to provide efficient transport network within the State in an effort to curb the widespread fraud arising from the supply of fuel to its fleets.
- 1.2. The State reserves the right to install any type of Vehicle Identification Devices on the remaining part of its vehicle fleet during the contract period, for the purpose of automating the refuelling process.
- 1.3. There are two eFuel vehicle subsystems available to the State, namely:
 - 1.3.1. eFuel eXtra - (VIU) which is an active tag ensuring only authorised vehicles can refuel and which facilitates the capture of odometer readings automatically without manual input. The eFuel eXtra is available on a lease or purchased option; and
 - 1.3.2. eFuel eAsy - (FuelOpass) which is a passive tag installed around the fuel tank inlet which provides enhanced control in that only authorised vehicles can refuel. Odometer readings are captured electronically by service station attendant and if applicable, can be drawn from a GPS tracking unit installed in the vehicle. eFuel eAsy is a low cost option entry level solution, which can be fitted to the sedan fleet, jerry cans and drums and similar type vessels and equipment. The eFuel eAsy is available on a lease option only.
- 1.4. All units under a lease agreement will be for the full duration of the contract. All units must be leased for a minimum of 36 months even if such a 36 month lease should exceed the end date of the contract. The administration of the leased units falling outside of the contract period will need to be negotiated with any possible new service providers appointed in terms of RT46/2019.
- 1.5. The Contractor must continue maintaining all units purchased under any previous contract for the full period of this contract up to the date of expiry.
- 1.6. The contractor shall be responsible for settling all fuel transactions with the merchants within 48 hours of a fuel transactions taking place, provided that the merchant presented such fuel transaction for settlement.

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- 1.7. The system must minimize the opportunity for human intervention and fraud, by incorporating the following features:
- 1.7.1. Fuel may not be dispensed unless the vehicle has been authorized by the State to receive on-road fuel;
 - 1.7.2. The fitment of VIT systems in terms of bulk fuel sites must allow for transactions to be recorded that will not be charged to government, but will be for record purposes only.
 - 1.7.3. The contractor will need to provide a schedule for the automation of bulk fuel sites and the costs related thereto as an option to end user departments. Provision will need to be made for the procurement of equipment or the leasing thereof over the contract period.
 - 1.7.4. Odometer readings / hour readings (where applicable) must be captured electronically;
 - 1.7.5. The system must prohibit vehicles /plant from receiving more fuel than their tank capacity;
 - 1.7.6. The system must differentiate between diesel and petrol vehicles. It should prevent the disbursement of the incorrect fuel type into a vehicle. Should a vehicle be filled with the incorrect fuel type, the cost in terms of repairs will be for the account of the Contractor;
 - 1.7.7. A facility for manual over-ride must be incorporated;
 - 1.7.8. All new models of vehicles must be calibrated correctly within the first two attempts of calibration;
 - 1.7.9. All calibration will need to carry a warranty of being within 5% for every 5000km traveled.
- 1.8. In the event that this system is installed on any vehicle:
- 1.8.1. The Contractor shall make provision for a GAP card to be utilized exclusively at sites that does not make provision for the refuelling of

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vehicles by means of a VIT unit. Such a card shall be issued on request of the user department.

1.8.2. The Contractor shall settle fuel claims from merchants based on the data obtained electronically from merchants;

1.8.3. The State shall bear the cost of installing the tagging / identification units on its vehicle;

1.8.4. The Contractor shall bear all costs relating to any enhancements or modifications to its systems that may be required to process transactions executed through a tagging / identification system.

2. CANCELLATION OF AUTHORITY



2.1. A facility must be provided for "hot listing" (cancellation of authority) of vehicles and drivers. The cost of any transactions done after the State has notified the Contractor to "hot list" a vehicle or driver will be for the Contractor's account

2.2. It will be necessary for the Contractor to prove, to the State's satisfaction that the fuel management system they are utilizing has the capabilities as set out in this document.

2.3. In the event that this system is installed on any vehicle:

2.3.1. The Contractor shall obtain electronically from a merchant, within 24 hours of a transaction being executed through a tagging/ identification system, all data relating to the transaction;

2.3.2. The Contractor shall incorporate all relevant data obtained electronically from merchants in the management reports.



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3. FITMENT OF DEVICES

- 3.1. The Contractor shall provide to the State timeframes of the fitment of new units, or the units can be fitted at a specific venue of government's choice on twice weekly, weekly, bi-weekly or monthly basis.
- 3.2. The Contractor shall be responsible for obtaining approval from all motor manufacturers supplying vehicles to the State to ensure that no warranties are jeopardised with the fitment of any Vehicle Identification Technology.
- 3.3. The Contractor shall be responsible for the cost of the repair of any vehicle where the vehicle is damaged due to the fitment of a Vehicle Identification Technology device.



4. REPORTING

- 4.1. The contractor appointed in terms of Category C of these Special Conditions will be required to report on the following fields of information:
 - 4.1.1. Fuel consumption in terms of litres per kilometre
 - 4.1.2. User code
 - 4.1.3. Client Identification Code
 - 4.1.4. Sub site of vehicle operation
 - 4.1.5. GG number
 - 4.1.6. Vehicle license number
 - 4.1.7. Engine number
 - 4.1.8. VIN/Chassis number
 - 4.1.9. Vehicle make
 - 4.1.10. Vehicle model
 - 4.1.11. Vehicle type
 - 4.1.12. Province
 - 4.1.13. Department
 - 4.1.14. List of cancelled units and the reasons therefore
 - 4.1.15. Date of the cancellation of a unit
 - 4.1.16. Order date of a unit
 - 4.1.17. Expiry date of the chip/ unit
 - 4.1.18. Possible transactions after the cancellation of the unit
 - 4.1.19. Fuel cost per department per month / year

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- 4.1.20. Date of a fuel transaction
- 4.1.21. Fuel transactions outside normal business hours
- 4.1.22. Fuel transactions over weekends and public holidays
- 4.1.23. List of vehicle over fills by registration / user department
- 4.1.24. Vehicles awaiting maintenance / repairs but consuming fuel
- 4.1.25. The number of litres per transaction
- 4.1.26. The amount of the fuel transaction
- 4.1.27. The vehicle odometer reading
- 4.1.28. The kilometres between last fuel transaction
- 4.1.29. The merchant name
- 4.1.30. The reference number
- 4.1.31. Total fuel transaction values per month / year
- 4.1.32. Total cost of VIT units / fitments / maintenance
- 4.1.33. The active Vehicle Identification Units (VIU)
- 4.1.34. The dormant Vehicle Identification Units (VIU)
- 4.1.35. Litres of fuel disbursed to vehicles fitted with VIU technology
- 4.1.36. The number of E- fuel transactions
- 4.1.37. Number of bank card transactions on vehicles fitted with VIU
- 4.1.38. The value of all VIU transactions
- 4.1.39. VIU transactions for all units that is not operational
- 4.1.40. Details of variances in fuel consumption
- 4.1.41. Any other operational information that may reasonably be required

- 4.2. The Contractor needs to indicate where, when and with what regularity the data as set out above will be captured and what measures will be taken to ensure the accuracy of the data. The Contractor also needs to ensure that the ability to report on the data as set out above and the flexibility of its system is illustrated in their submission. Should any other operational information as recorded by the Service Provider be required by the state a request can be made to include the information in the reporting.

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Addendum A: Pricing Schedule

Category A & B, Item 1 (SAPS)

		VAT inclusive pricing (2014)
Monthly Administration fee (Fuel & Oil)	R	33.24
Transaction Fee (Fuel and Oil)	R	2.39
Monthly Administration Fee (Maintenance and repairs)	R	21.61
Transaction fee (maintenance and repairs	R	-
Monthly Administration fee (Vehicle licence renewal)	R	32.78
Transaction fee (Vehicle licence renewal)	R	130.87

Category A & B, Item 2 (Provinces and National Departments)

		VAT inclusive pricing (2014)
Monthly Administration fee (Fuel, Oil & Toll)	R	32.65
Transaction Fee (Fuel and Oil)	R	2.39
eToll	R	3.57
Monthly Administration Fee (Maintenance, repairs and accidents)	R	21.61
Transaction fee (Maintenance, repairs and accidents)	R	-
Monthly Administration fee (Vehicle licence renewal)	R	27.08
Transaction fee (Vehicle licence renewal)	R	127.28

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Category A & C

	VAT inclusive pricing (2014)	
Monthly administration fee per VIT unit	R	32.65
GAP Card Monthly administration fee	R	5.90
Cost per month leasing VIT unit (incl Maintenance)	R	119.50
Monthly maintenance cost for purchased units	R	62.70
Cost for new VIT unit (including fitment and chip)	R	765.09
Cost for de-installation of existing unit	R	-
Cost for re-installation of existing unit	R	-
Cost for chip replacement	R	354.69
Transaction Fees (petrol and diesel)	R	2.39
Gap Card Transaction fee	R	2.39
Home base transaction fee	R	-
Parts		
Chips	R	354.69
VIU	R	1,755.60
Coil/ Fuel tank inlet antenna	R	269.19
Transducer/GPS Sender	R	855.00
Installation Smalls	R	85.50
Datapass - wireless VIUS	R	1,638.56
Fuelopass - wireless	R	210.67



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Addendum B: Process for the Allocation of Work



The following procedures will be followed by the RT 46 Service Provider to ensure the fair and equitable work distribution on all maintenance and repair transactions in addition to the BBBEE requirement within the contract:

1. Definitions

- 1.1. **Historically Disadvantaged Individuals (HDIs)** - For the purpose of this document HDI merchants shall be defined as a merchant that is owned by a Historically Disadvantaged Individual as defined in the Preferential Procurement Policy Framework Act of 2000.
- 1.2. **BEE** - means Black Economic Empowerment
- 1.3. **Historically Disadvantaged Individual (HDI)** - means a South African citizen:
 - 1.3.1. who, due to the apartheid policy that had been in place, had no franchise in national elections, prior to the introduction of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) ("the Interim Constitution"); and/or
 - 1.3.2. who is a female; and/or
 - 1.3.3. who has a disability
 - 1.3.4. Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

2. Electronic work allocation system



- 2.1. The RT46 Service Provider will ensure that they have an electronic system in place that will facilitate the distribution of work. The system will at least have the following capabilities:

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- 2.1.1. Pinpoint or determine the location of a vehicle once the information is provided by the User Department.
- 2.1.2. Pinpoint or determine merchants within a specific radius of the vehicle location that have the capability to carry out the job.
- 2.1.3. Indicate the HDI status of the merchants within the specified radius prior to the work being allocated.
- 2.1.4. Indicate the monthly, contract to date and average monthly expenditure to the merchants within the specified radius.
- 2.1.5. Allocate work, in preference, to HDIs.
- 2.1.6. Give a full breakdown of work distributed, according to HDIs, i.e. per race group, gender and disability.

3. Determination of the radius

- 3.1. The current location of the vehicle and whether the vehicle is mobile or not will need to be taken into consideration prior to directing the vehicle to a specific merchant.
- 3.2. During any period of 90 days, the service provider will start with the smallest possible radius to the location of the vehicle to determine where the vehicle will need to be directed.
- 3.3. The radius will be increased throughout the period of 90 days to ensure that the next job is not allocated to a merchant that has already received a job within the 90 day period.
- 3.4. Only once all merchants within a radius of 50km have received a job, will the radius be adjusted to the closest merchants.
- 3.5. Any adjustments in the radius of the merchants to be utilized, must be based on the availability of the merchants within a specific area.

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4. Preference to HDI merchants

- 4.1. Preference will need to be given to merchants with higher HDI percentage that was allocated the least amount of work in rand value on a rotational basis for all maintenance or repair transactions with relevant specialization:

- 4.1.1. The warranty on the vehicle or parts of the vehicle have lapsed,
- 4.1.2. Have the capability to repair any specialized vehicles such as ambulances or any other vehicles that requires repairs of a specialized nature,
- 4.1.3. The repairs to vehicle be of such a nature that it will not affect the warranty of the vehicle, including the repair of scratches and dents, and
- 4.1.4. The replacement of specific parts that are not warranty related such as windscreens, batteries, shocks and tyres.

5. Reporting



- 5.1. The RT 46 Contractor will need to report on a monthly basis on the BBBEE expenditure. This reporting on expenditure will need to include:
- 5.1.1. Raw data of all maintenance and repair transactions during the month in electronic format.
 - 5.1.2. The total amount spent per province and/or Department and the total thereof that was spent on HDI merchants.
 - 5.1.3. All repairs and maintenance to be split up between, all repairs done where vehicles are under warranty and repairs done where vehicles are no longer under warranty and the HDI expenditure on both of these categories.
 - 5.1.4. Reporting on any registered organizations such as RAAF, SATA, RMI, SAMBRA etc.

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- 5.1.5. The value of all transactions where the initial work allocation by the Contractor was altered due to an override that was requested by the end user department. This will need to include, the department, the merchants, the amounts spent at these merchants and the number of jobs allocated to these merchants.

6. Work distribution process

- 6.1. No Transport Officer or any other government official will have the capability to override the decision by the Contractor to allocate a specific job to a specific merchant.
- 6.2. Should any department, province or end user partaking in the contract exercise the option to have the capability to override the allocation by the Contractor in order to manage the work distribution on the contract, the following will be applicable:
- 6.2.1. Authority will need to be granted by the Head of Department of the end user department in writing. This will need to be submitted to the National Department of Transport for implementation. The following will need to be clearly specified in the submission:
- 6.2.2. The circumstances for an override to be granted by the Contractor will need to be clearly clarified in the letter, signed by the Head of Department.
- 6.2.3. Any delegated officials or ranks of such delegated officials, will need to be supplied.
- 6.2.4. Any amendments to the circumstances in which an override can be done based on the submission of the end user Department will need to be approved by the Head of Department of the end User Department and submitted to the National Department of Transport for implementation.

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7. Management of risk



- 7.1. A Fraud Prevention Reporting Matrix will need to be developed by the Contractor, in conjunction with the National Department of Transport, within 30 days of signing the Service Level Schedule.

8. HDI Targets

- 8.1. It is the intention of the State that at least 90% of all "out of warranty" repairs as identified under Addendum B be distributed to HDI merchants. In order to achieve this target, the table below provides progressive targets that the RT 46 Service Provider will need to achieve for all out of warranty work:

Contract year end	2015/2016	2016/2017	2017/2018	2018/2019
Percentage to be achieved	70%	80%	90%	90%

- 8.2. The Contractor will also need to report on the achievement of the above targets on a monthly basis or as required by the end user department.

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Addendum C: Suspension of Merchants

1. Merchant Suspension



- 1.1. A merchant complaint is registered with the contractor or their appointed subcontractor.
- 1.2. The complaint is lodged by an official within Government, an inspector of the Contractor, the Contractor's call centre, a disgruntled merchant or any other source.
- 1.3. The Contractor will dispatch an inspector to inspect the merchant.
- 1.4. A suspension letter will be issued to the merchant. The suspension letter serves to inform the merchant about the investigation, terms of reference for the investigation and the required actions from the merchant.
- 1.5. The original complaint, the inspection report and the merchant's response will need to be deliberated by an internal committee as appointed by the Contractor with due consideration for any legal or legislative impact.
- 1.6. A decision to suspend a specific merchant will be made by the Contractor. The merchant, the end users and the National Department of Transport will be advised of the outcome. The full report on the suspension will need to be made available to the end user department or departments on request.
- 1.7. In the event that the complaint originated from government, comments from the complainant will be requested on the outcome and determinations of the investigation.

2. Merchant Termination:

- 2.1. Once all the reports, comments and representations have been considered. A termination letter will be issued to the merchant if there is merit and justification in favour of termination.

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- 2.2. The merchant will further be advised of what remedies to take to uplift the termination.
- 2.3. In the event that a termination is uplifted, the original complainant will be notified.

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