

**ENGAGEMENT MODEL AND GUIDELINES**  
**for the usage of Transversal Framing Term Contracts for SITA**  
**and SITA's Clients**

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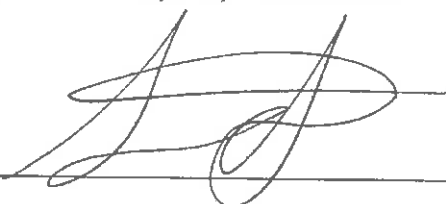
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**Approval**

The signatories hereof, being duly authorised thereto, by their signatures hereto authorise the execution of the work detailed herein, or confirm their acceptance of the contents hereof and authorise the implementation/adoption thereof, as the case may be.

Chief Procurement Officer: Sydney Tshibubudze 	Date 19/08/2014
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**DEFINITIONS**

**DPSA** means Department/Public entity of public service and administration

**SITA's Client** means all public entities as per PFMA

**Public entity** means all public bodies as per PFMA definition

**Designated Department** means DPSA

**SITA** means State Information Technology Agency

**Service Provider** means the bidding entity who responded and got accredited on RFB 1183

**Agency** means **SITA**

**RFQ** means request for quotation

**SITA General Regulations** means General Regulations of State Information Technology (SITA Regulations of 2005)

**"Transversal contract"** means a contract with one or more suppliers for the supply of information technology goods or services over a period, required by more than one Department/Public entity according to approved user requirement specifications, with overall pricing of goods being firm, unless otherwise provided for in the contract; as prescribed by the SITA General Regulations.

**PFMA** means Public Finance Management Act

**Department/Public entity** means all bodies that are classified as public bodies as per PFMA

**BBBEE Act** means Broad Based Black Economic Empowerment Act

**SLA** means Service Level Agreement

## 1 Purpose of document

The purpose of this document is to provide guidelines on how to utilise transversal Framing Contracts for all Departments and or Public entity as per SITA General Regulations. The use of these guidelines should always ensure full compliance with all relevant public sector procurement legislation, National Treasury regulations and practise Notes and SITA General Regulations, PPPFA, BBBEE Act or any other applicable legislation.

The engagement model is to ensure compliance and best practises regarding the Government Regulatory framework for procurement.

## 2 Background and Scope

### 2.1 Background to transversals

In terms of SITA General Regulations *"The Agency must, in the best interest of the State and timeously, ensure the procurement of information technology goods or services for the repetitive requirements of Departments through the conclusion of appropriate transversal term contracts by means of a competitive bidding process."*

In terms of Regulation 10.2 on SITA Regulations "Either the Agency or a Department/Public entity may submit to the Minister, or an official authorised by him or her, a need for the procurement of information technology goods or services for the repetitive requirements of Department/Public entity...If the Minister, or an official authorised by him or her, approves the need for such goods or services, the Department envisaged in regulation 7.3.1 (b) will be the designated Department.

DPSA is the designated Department who has identified needs for the establishment of a transversal contracts.

In terms of Regulation 9.5 *"Upon awarding a bid for a mandatory service for one or more department or public body by the accounting authority of the designated department or public body, the Agency must, after consultation with the **GITO** Council, conclude the necessary contracts with the successful bidder or bidders".*

SITA is to ensure that consultation as per stipulation above and the DPSA, SCPROC and GITOC were consulted in the establishment of this engagement model.

## 2.2 Scope of Contract

**The scope and background for each transversal will form an Annexure to the Engagement Model and Guidelines.**

The scope of RFB 1183/2014 for the provisioning of IT services is as per the services outlined on **Annexure A** of this engagement model.

Only services that are contained in Annexure A which outlines the scope for each transversal can be procured from this contract.

## 3 Utilisation of Transversal Contracts

**All public bodies are allowed to make use of this contract however Government Departments are compelled to use the transversal contract as per SITA Regulation**

In terms of Regulation 10.10 the process below should be followed by the /Public entity for utilising RFB 1183:

- ↓ *a Department may engage directly with prospective suppliers based on a user requirement specification approved by the relevant Department; suppliers must submit quotes based on the user requirement specification;*
- ↓ *the Department selects the specific supplier;*
- ↓ *the Department directly places the order with the selected supplier and furnish a copy of the order to the relevant contract manager of the Agency;*

### 3.1 Prescription to ensure Fairness as per Section 217 of the South African Constitution

- ↓ If procurement is less than R500 000 then Department must follow their own internal process in accordance with the Department's SCM policy
- ↓ For Procurement above R500 000 Departments should approach all Services providers accredited for that service to ensure fairness as per Section 217 of the South African Constitution.
- ↓ A Service Provider approved in a specific province/s cannot be used to provide a service in province/s where they are not accredited for.
- ↓ A service provider shall not be appointed to provide a service for which they are not accredited.

**3.1.1 Provincial procurement**

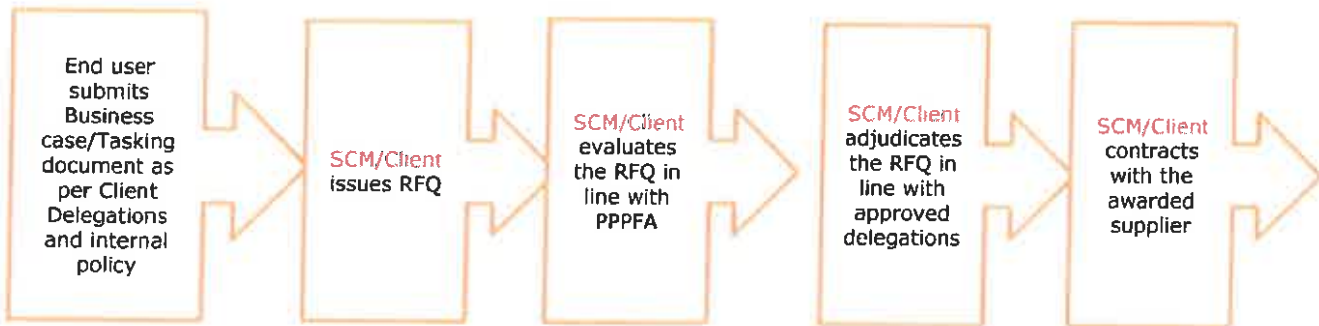
- ↓ Provinces need to procure from suppliers that are accredited for that specific province as per Regulation 15 on the SITA Regulations.
- ↓ Provinces when issuing RFQ's are to ensure adherence to the conditions of the tender pertaining to the mandatory physical presence of the Service Providers in the specific province.

*In terms of Regulations 15 on SITA Regulations "Departments must for use in a province, procure from service providers located in the province concerned to ensure optimal spending in that province."*

**3.2 Process for procuring from a Transversal contract**

The process to be followed by the Department/Public entity must be in line with the PPPFA.

There must a business case signed or approval by the delegated official as per the Department/Public entity's delegation of Authority.



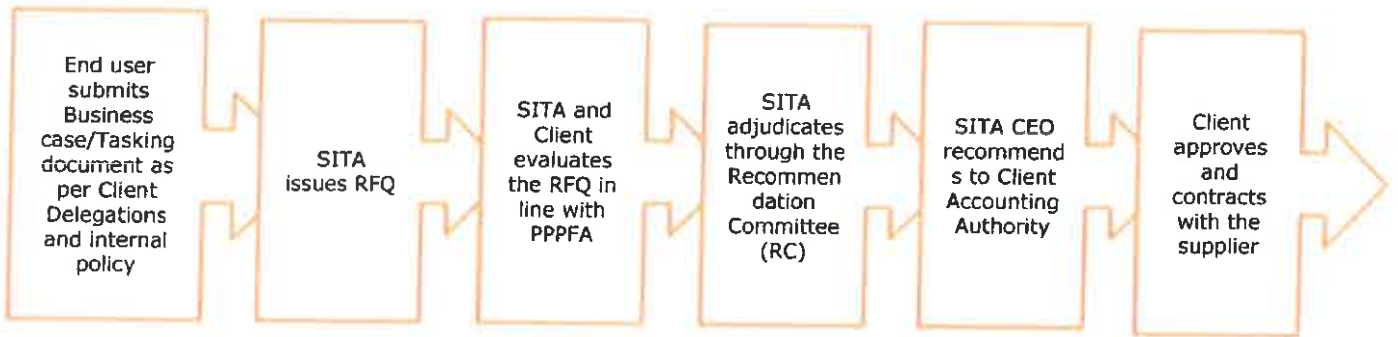
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Information that should be contained in a 'RFQ document must include:

- ↓ projected time scales,
- ↓ minimum performance standard/s,
- ↓ and specification of the required /
- ↓ Statement of Work or SLA where applicable.

**3.3 Process where a Department uses SITA as a procurement agent**

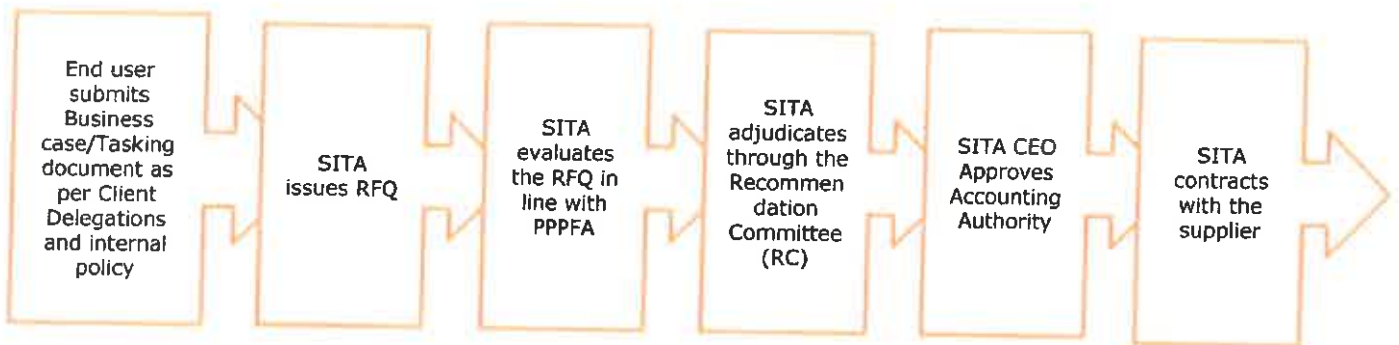
Wherein the Department chooses to use SITA as a procurement agent. SITA will facilitate the procurement process and after adjudication recommend to the Department for approval and contracting. This process is as per SITA Regulations.





### 3.4 Process where a Department contracts SITA for a service through a Service Level Agreement (SLA)

Wherein SITA is the Service Provider and can choose to outsource whatever capacity SITA may not have. SITA will process the procurement and SITA will be the contracting party with the supplier.



### **3.5 Contracting between Department/Public Entity and Service Providers**

#### **Clause 10.5 of the SITA General Regulations it states that:**

*'Upon the awarding of the relevant bid by the designated Department/Department/Public entity, the Agency must, after consultation with the GITO Council, conclude the necessary transversal term contracts with the successful bidder or bidders'*

SITA has entered into contracts with service providers as per clause above, however since the transversal framing agreements do not cover pricing and projects Department/Public entity will still be required to enter into a specific agreement as per clause stipulated below.

Clause 10.10 (g) of SITA General Regulations stipulates as follows: *"if the transversal framing term contract requires a specific formal agreement, such agreement must be concluded between the Department/Public entity or and the supplier. The Department/Public entity may request the Agency to assist with the management of such agreement."*

The contract that is entered into between the Department/Public entity and the supplier should cover the following (but not limited to):

- Service levels
- Scope of the specific project
- Project duration
- Price break down and total price in line with awarded RFQ
- Payment terms and conditions in line with the relevant government legislation. BBBEE Act and PPPFA

### **3.6 Relationship between main contract and contract between Supplier and Department/Public entity**

- ↓ The main contract between SITA and supplier contains the governing terms and condition of the relationship. Any additional contracts which will form an appendice/annexure to the contract should not contradict any of the clauses covered in the main contract. Should adhere to the General Conditions of Contract (GCC) as prescribed by National Treasury.

## **4 Contract Administration**

In terms of National Treasury Practice Note Number 5 of 2009/2010 clause 5 SITA is responsible for administering the database:

Clause 5.1 of SITA General Regulations states that " *SITA must maintain a database on its website of all existing transversal term contract which must at least include the following:*

- (a) Contract Number;*
- (b) The contract title and short description;*
- (c) The suppliers;*
- (d) The names and contact details of the contract managers of the suppliers;*
- (e) The price list of goods and services, if applicable, and the last date when updated; and*
- (f) The names and contact details of SITA's contract manager for the specific transversal term contracts"*

A list of Service Providers' shall be maintained by SITA Supply Chain Management (SCM). Service Providers are obligated in terms of this contract to maintain sufficient capabilities and accreditation for services they have been approved for.

In terms of Regulation 10.13 When any change to the information referred to in regulation **10.12** occurs, the Agency must immediately update its website.

SITA will also ensure that a copy of the contracts signed with suppliers and GCC's are available on the SITA website.

### **4.1 Process to be followed in terms on non-performance by suppliers**

- ↓ Departments should report non-performance to SITA
- ↓ Departments must follow the National Treasury Process as per National Treasury Practise Note number SCM 5 OF 2006 which serves as an augmentation of GCC for blacklisting suppliers.

#### **4.2 Process for Reporting spent on Transversals to SITA**

In terms of Regulation 10.11 (b) Departments are required to report their spent on transversal contracts. In order to make this process practical. Departments will be required to report quarterly to SITA in terms of their spent per transversal contract.

**Annexure A Transversal Tender RFB 1183 for the provisioning of IT Service to SITA and SITA's Client**

**Process followed for RFB 1183**

**Evaluation**

Nature of contract	Transversal Framing agreement
Custodian	DPSA
Client	All public entities as per PFMA
Bid publish date	20 March 2014
Bid close date	23 APRIL 2014
No of bidders approved	101
Contract period	3 years
Approved by	DG Of DPSA

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Services to be provided for RFB 1183 are as follows:

<b>SUMMARY OF IT SERVICES PER ITEM CONTROL NUMBER</b>	
<b>ICN. N</b>	<b>New Description</b>
<b>ICT MANAGEMENT SERVICES</b>	
81112011-0001	ICT Management - Technical Management
81112011-0002	ICT Management - Functional Support Management
81112011-0003	ICT Management - Contract Management
81112011-0004	ICT Management - Program Management
81112011-0005	ICT Management - Project Management
81112011-0006	ICT Management - Project Administration Support
81112011-0007	ICT Management - ICT Governance and Compliance
81112011-0008	ICT Management - Document Configuration
81112011-0009	ICT Management - Quality Management
<b>BUSINESS PLANNING AND DEVELOPMENT</b>	
81112011-0010	Business Planning And Development - ICT Strategic Consulting
81112011-0011	Business Planning And Development - Business Analysis
81112011-0012	Business Planning And Development - Business Process Architecture
81112011-0013	Business Planning And Development - Information Systems Architecture
81112011-0014	Business Planning And Development - Information Architecture
81112011-0015	Business Planning And Development - Information Technology Architecture
81112011-0016	Business Planning And Development - Business Modelling
81112011-0017	Business Planning And Development - Enterprise Architecture
<b>BUSINESS SOLUTIONS DELIVERY SERVICES</b>	
81112011-0018	Business Solutions Delivery - System Analysis and Design
81112011-0019	Business Solutions Delivery - Business Solution Development
81112011-0020	Business Solutions Delivery Business Solution Certification/Accreditation
81112011-0021	Business Solutions Delivery - Business Solution Maintenance
<b>SPECIALISED BUSINESS SOLUTIONS</b>	
81112011-0022	Business Solutions Delivery - Specialised - Business Intelligence

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81112011-0023	Business Solutions Delivery Specialised - Geographic Information Management
81112011-0024	Business Solutions Delivery - Specialised - Document and Image Management
81112011-0025	Business Solutions Delivery -Specialised - Knowledge Management
81112011-0026	Business Solutions Delivery -Application Configuration Management
81112011-0027	Business Solutions Delivery Service Delivery (SLA) Management
81112011-0028	Business Solutions Delivery - Capacity Planning and Availability Management
<b>INFORMATION SECURITY SERVICES</b>	
81112011-0029	Information Security - Security Architecture
81112011-0030	Information Security - Business Continuity Consultancy
81112011-0031	Information Security - Policy Development and Implementation
<b>SPECIALISED SECURITY SERVICES</b>	
81112011-0032	Information Security - Specialised - Access Control
81112011-0033	Information Security - Specialised - Identity Management
81112011-0034	Information Security - Specialised - Physical and Environmental Security
81112011-0035	Information Security - Specialised - Communication and Operations Security
81112011-0036	Information Security - Specialised - Application Security
81112011-0037	Information Security - Business Solution Compliancy
<b>BUSINESS SOLUTION IMPLEMENTATION SERVICES</b>	
81112011-0038	Business Solution Implementation - Application / ICT/COTS Training
81112011-0039	Business Solution Implementation - Training Development and Accreditation
81112011-0040	Business Solution Implementation - Application Deployment Support
81112011-0041	Business Solution Implementation - Organisational Change Management
81112011-0042	Business Solution Implementation - ICT Infrastructure Acquisition Management
81112011-0043	Business Solution Implementation - Operational Procedure Development
<b>ICT SERVICE SUPPORT MANAGEMENT</b>	
81112011-0044	ICT Services Support Management - Service Management Centre
81112011-0045	ICT Services Support Management - Service Level Management
81112011-0046	ICT Services Support Management - Problem Management

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81112011-0047	ICT Services Support Management - Incident Management
81112011-0048	ICT Services Support Management - ICT Configuration Management
81112011-0049	ICT Services Support Management - Performance and Capacity Management
81112011-0050	ICT Services Support Management - Change and Release Management
<b>DATA CENTRE SERVICES</b>	
81112011-0051	Data Centre - Data Centre Architecture Planning and Design
81112011-0052	Data Centre - Disaster Recovery and Business Continuity
81112011-0053	Data Centre - Printing
81112011-0054	Data Centre - Software Support and Maintenance
81112011-0055	Data Centre - Database Support and Maintenance
81112011-0056	Data Centre - Data Centre Operations
<b>COMMUNICATION NETWORK SERVICES</b>	
81112011-0057	Communication Network -WAN/VPN Planning and Design
81112011-0058	Communication Network -WAN/VPN Development and Implementation
81112011-0059	Communication Network - WAN/VPN Maintenance
81112011-0060	Communication Network - Network Monitoring and Management
81112011-0061	Communication Network - Internet/Intranet Hosting
81112011-0062	Communication Network - Telecommunication
<b>LAN AND DESKTOP SERVICES</b>	
81112011-0063	LAN And Desktop -LAN Planning and Design
81112011-0064	LAN And Desktop -LAN Support
81112011-0065	LAN And Desktop -LAN and Desktop Support