	TENDER CANCELLATION REPORT DUAL / TRIPLE / R300M SITE BASED PTC	Document Identifier	240-169448751	Rev	1	
		Effective Date	June 2022			
		Review Date	June 2025			

TO:	Triple Adjudication	Date:	26 March 2024
NAME OF COMPILER AND BUSINESS UNIT	Siyabonga Yaka Hendrina Power Station	Tel:	013 296 3800
NAME OF END-USER BUSINESS UNIT	Maryke Goosen Hendrina Power Station		
DESCRIPTION	The provision of home-work-home transport services for Eskom employees from Pullenshope, Hendrina surroundings, Middelburg, and school transport from Pullenshope and Kwazamokuhle to Middelburg for the period of 36 months at Hendrina Power Station.		
PR NO.	1075453713,1075453714,1075453716		
ENQUIRY NO.	MPHEN10934GX		

1. INTRODUCTION

In accordance with Eskom Procurement Instruction Note 2 of 2021, approval is requested from the **Triple Adjudication Authority** as the relevant DAA, to cancel the above enquiry for the **provision of home-work-home transport services for Eskom employees from Pullenshope, Hendrina surroundings, Middelburg, and school transport from Pullenshope and Kwazamokuhle to Middelburg for the period of 36 months at Hendrina Power Station.**


BACKGROUND

BUDGETED / ESTIMATED VALUE	R79 368 030.70
DATE ORIGINAL STRATEGY WAS APPROVED	06 November 2023
ENQUIRY ISSUE DATE	07 November 2023
PUBLISHED PLATFORMS	NT e-Tender and Eskom Tender Bulletin
ORIGINAL TENDER CLOSING DATE	23 November
CLOSING DATE AFTER EXTENSION	N/A
ORIGINAL VALIDITY END DATE	23 March 2024
NUMBER OF RESPONSES RECEIVED	13
NUMBER OF RESPONSES EVALUATED FOR FUNCTIONALITY	13

THE COMMERCIAL PROCESS

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1.1 TENDER CANCELLATION PROCESS

FIRST TENDER CANCELLATION	
REASON FOR TENDER CANCELLATION (<i>Tick which is applicable</i>)	
a) Changed business circumstances where there is no longer a need for the goods, works or services as described in the enquiry document;	
b) Improper / unrealistic specifications and functionality criteria in the enquiry document;	
c) Funds no longer being available to cover the whole envisaged expenditure for the goods, works or services;	
d) No acceptable tenders received;	X
e) Material irregularities (such as non-compliance with legislation or where the constitutional principles of fairness etc is breached);	
f) A market-related price not being agreed after negotiating with the top three tenderers (see process under Post tender Negotiations section)	
g) If the Commercial Strategy was to establish a panel of consultants / service providers or to award the contract to more than one supplier (not a panel) due to the different regions or scope of work, and there were no successful supplier/contractor/service provider for every region or scope of work, the process should be concluded with the successful supplier and the enquiry should be re-issued for the remaining regions/scope of work.	
h) Where invited suppliers to a closed enquiry choose not to respond, but the tender list is valid, and all procurement processes have been fairly and correctly followed.	
i) Informal Tendering - If only one quote is received, the Procurement Practitioner must re-issue to the completed list of potential tenderers again.	
j) Informal Tendering - Should it be found that the outcome of the evaluation shows that the lowest acceptable tender is more than R1m, the process must be cancelled	
Other:	
State "Other" reasons in detail:	

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2. INTERNAL CONTROL DEFICIENCIES


ROOT CAUSE			
<p>The enquiry was issued with a shorter period (14 days) which might be the results of fewer responses and poor quality in submissions.</p> <p>The enquiry was issued out to the market via (formal tendering process) technical evaluations were conducted and there were no technical acceptable tenderers received.</p> <p>According to P& SCM procedure, 32 1034, Rev 4 an enquiry must be cancelled due to no acceptable tenders received.</p>			
IMPACT			
The impact is that there will be an increase in placement of month to month/ once off PO's.			
RISKS			
Risk	Risk Description	Risk Mitigation	Likelihood
Delay	The delay in concluding the procurement process and awarding a long-term contract.	To put in place short-term purchase orders which will lead to repetitive procurement of the services which constitutes audit findings.	High
Delay	Audit findings on these repetitive once off transactions.	Expedite the long-term contract procurement process.	High
CORRECTIVE ACTIONS REQUIRED AVOIDING SIMILAR FUTURE INCIDENCES			
<p>The enquiry will be re-issued for at least 21 calendar days to provide tenders with a fair amount of time to respond to the enquiry.</p> <p>If no tenderer meets the threshold specified for functionality, functionality threshold may be reduced to the predetermined lower threshold, and such will be specified in the enquiry.</p>			
RECOMMENDATION			
<p>It is recommended that approval be granted to cancel enquiry MPHEN10934GX and re-issue it to the market.</p> <p>The enquiry is still valid. The team hereby confirms that the scope of the work, duration, estimated budget and technical evaluation criteria and bill of quantities will be revised, SHEQ requirements</p>			

3. MANAGEMENT'S RESPONSE

MANAGEMENT COMMENT ON CANCELLATION
<p>Furthermore, the "P&SCM Procedure 32-1034 Rev 5, which forms part of the Legal Procurement Framework, is to ensure that the processes followed are legally, commercially, financially and technically sound and which in addition, supports the Constitutional principles of fairness, equitability, transparency, competitiveness and cost-efficiency". It is for this reasons that a tender cancellation is supported in order to ensure that the market is given a fair chance to participate on this enquiry.</p>
MANAGEMENT COMMENT ON INTERNAL CONTROL DEFICIENCIES

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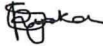
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Ensure that the service providers are given fair amount of time to respond to the the enquiry.		
MANAGEMENT COMMENT ON ROOT CAUSE AND IMPACT		
Ensure that the service providers are given fair amount of time to respond to the the enquiry.		
MANAGEMENT COMMENT ON RECOMMENDATION		
Recommendation is supported to cancel the enquiry and reissue to the market.		
REMEDIAL ACTION		
WHAT ACTIONS WILL BE TAKEN?	BY WHOM	BY WHEN
The tender will be re-issued to the market with the revised requirements.	Siyabonga Yaka	28 April 2024
NAME OF MANAGER WHO RESPONDED		
NAME:	Jabu Galela	
POSITION:	Procurement Manager	
GRADE:	M16	
DATE:		

4. SIGNATURES

4.1 COMPILED BY:

NAME	DESIGNATION	SIGNATURE	DATE OF SIGNATURE	REASON FOR SIGNING
Maryke Goosen	Support Services Manager		2024.04.04	End-User / Appointed Contracts Manager
Siyabonga Yaka	Officer Procurement		2024/04/03	Delegated Procurement Practitioner

4.2 SUPPORTED BY:

NAME	DESIGNATION	SIGNATURE	DATE OF SIGNATURE	REASON FOR SIGNING
Bongani Nkosi	Middle Manager		08/04/2024	Manager in Support


4.3 APPROVED BY:


NAME	DESIGNATION	SIGNATURE	DATE OF SIGNATURE	REASON FOR SIGNING
Ntuthuko Zulu	Middle Manager – P&SCM		2024/04/09	N/A

4.4 ACKNOWLEDGED BY:

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NAME	DESIGNATION	SIGNATURE	DATE OF SIGNATURE	REASON FOR SIGNING
Tebogo Lekalakala	Hendrina Power Station General Manager		2024/04/09	In Acknowledgement thereof

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