



an agency of the
Department of Arts and Culture

IZIKO MUSEUMS – SHORT-TERM INSURANCE

Reference: FIN/INSURANCE/08/2019

Iziko Museums of South Africa (Iziko) invites suitably experienced insurance companies or brokers to provide comprehensive short-term insurance cover for a period of five years.

1. BACKGROUND

Iziko is a Declared Cultural Institution in terms of the Cultural Institution Act, Act 119 of 1998 (as amended). Iziko is a Schedule 3A public entity and non-profit organisation, partly subsidised by the National Department of Arts and Culture (DAC), bringing together the 11 national museums, Planetarium, Social History Centre (archive) and three collection-specific libraries under a single banner. Iziko was formed in 1999 when five clusters of established museums in and around Cape Town were merged.

2. CATEGORIES

The required short-term insurance have been categorised into two (2) service categories as reflected in the table below. Bidders must indicate which service category they are bidding for. However, bidders may tick both if they are able to respond to both service categories.

No	Service Categories	Please Tick category you are tendering for
1	Non Marine Short-Term Insurance - Red Carpet & SOS - Motor including Trailers - Art Collections (Housed in fifteen (15) of Iziko's buildings)	
2	Marine Short-Term Insurance - Small Craft (Alley Cat – 1994 SKI Boat) - SAS Somerset (Non-commercial ship)	

Note: Bidders must ensure that they respond to and/or provide the required information to the evaluation criteria for each of the service categories they are bidding for.

3. SCOPE OF WORK

Iziko Museums seeks to appoint experienced and accredited short-term insurance company (ies) or broker(s) to provide comprehensive short-term marine and non-marine insurance cover as follows:

- Provide short-term insurance cover for a period of sixty (60) months
- Provide comprehensive commercial insurance cover for losses which may be incurred due to:
 - i) Property Theft
 - ii) Accidental Damages
 - iii) Natural causes which may bring losses/damages to any asset
 - iv) Operational and business risks
 - v) Public Liability
 - vi) Directors and Officers liability
 - vii) Fire
 - viii) Money (In Transit)
 - ix) Comprehensive Vehicle Cover including roadside assistance
 - x) Other risk cover when requested

- Provide comprehensive insurance cover for all movable and immovable assets of Iziko – this includes:
 - i) Iziko Collections – Housed in different Iziko Buildings (Immovable property), which have a heritage significance. A Schedule of insured values will be made available to bidders at the briefing session
 - ii) Office Equipment – This includes various types of electronic, office and specialised planetarium equipment. **Refer to Annexure A - C**
 - iii) Other movable electronic equipment – which includes high-end cameras, overhead projectors, laptops/notebooks etc. **Refer to Annexure A - C**
 - iv) Office Furniture and Fittings – which includes various types of wooden/steel/plastic furniture and fittings. Some which are fixtures and some which are loose but all these are office based. **Refer to Annexure A - C**
 - v) Motor vehicle - different makes of vehicles either owned or leased by Iziko. **Refer to Annexure A**
- Provide SASRIA Cover.
- Provide advice on value for money regarding the cost of insurance and means of cost saving on insurance costs.
- Provide a clear and user friendly claim procedure, reasonable turnaround time in replacement of losses/damages.
- Provide monthly reports on claims (claims processed and paid out/finalised/closed/rejected, claims in progress).
- Provide a contact person responsible for Iziko's insurance portfolio who would be able to provide the necessary advice, assistance and guidance.

3.2. Marine short-term insurance

The SAS Somerset is a non-commercial museum ship that is in the process of being de-accessioned. Insurance cover is required until the date of alienation of the vessel.

- Provide short-term insurance cover for a period of sixty (60) months, or until date of disposal or alienation of the vessel
- Provide comprehensive insurance cover for:
 - i) Hull and machinery
 - ii) Protection and Indemnity
 - iii) Vessel / boats, **Refer to Annexure B**
 - iv) Other risk cover when requested
- Provide SASRIA Cover.
- Provide advice on value for money regarding the cost of insurance and means of cost saving on insurance costs.
- Provide a clear and user friendly claim procedure, reasonable turnaround time in replacement of losses/damages.
- Provide monthly reports on claims (claims processed and paid out/finalised/closed/rejected, claims in progress).
- Provide a contact person responsible for Iziko's insurance portfolio who would be able to provide the necessary advice, assistance and guidance.

4. COMPULSORY PROPOSAL REQUIREMENTS

The service providers must comply with the following bid requirements, failing which the bid will not be considered:

4.1 Non-Marine Short-Term Insurance

- a) Submit a company profile, outlining the following:
 - A minimum of five (5) years' experience in Non-marine short-term insurance;
 - Methodology proposed (in a form of proposal document) on how Iziko's portfolio will be handled and the claiming procedures to be followed;
- b) Submit detailed draft insurance policy that must give details in terms of, limitations or exclusions and sum insured for each cover;
- c) Submit two (2) written reference letters from two (2) different clients, which all must be in the referee's letterhead where short-term insurance services were successfully rendered (with contact details);

4.2 Marine Short-Term Insurance

- a) Submit a company profile, outlining the following:
 - A minimum of five (5) years' experience in marine short-term insurance; and
 - Methodology proposed (in a form of proposal document) on how Iziko's portfolio will be handled and the claiming procedures to be followed;
- b) Submit detailed draft insurance policy that must give details in terms of, limitations or exclusions and sum insured for each cover;
- c) Submit one (1) written reference letter relating to the marine/boats industry, which must be in the referee's letterhead where short-term insurance services were successfully rendered (with contact details);

5. BID DOCUMENTS REQUIRED

Bidders must comply with Iziko's Supply Chain Management policies and procedures by submitting the following bid documentation.

Order	Compulsory Documents to be submitted <u>in the order indicated below</u>
1.	Index of all contents
2.	Covering letter with signed acceptance of our invitation and acknowledgement of our stated requirements and terms
3.	Bidder's Company profile and background
4.	A minimum of three (3) reference letters, not older than five years, for similar projects successfully implemented which include (Refer to paragraph 4): <ul style="list-style-type: none"> • contact names • email address and • telephone numbers • Indicate the value of the contract
5.	Accreditations: <ul style="list-style-type: none"> • Submit valid proof of membership with the South African Insurance Association(SAIA); • Submit valid proof of registration with the Financial Services Board (FSB) as a licensed financial service provider as per financial advisers and intermediary services act. (FAIS Act) • Submit latest company registration certificate from the Companies and Intellectual Property Commission (CIPC)
6.	Compulsory Proposal as required in <u>Paragraph 4, page 3</u> for both marine and non-marine
7.	Detailed pricing structure, set out per Annexure D A cost schedule detailing the full cost breakdown into marine and non-marine, commission and any escalations, if applicable. All amounts must be inclusive of VAT Bidders must provide separate prices for the non-marine and marine short-term insurance category. Refer to paragraph 7
STANDARD BIDDING DOCUMENTS:	
8.	Valid B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation Systems (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or sworn affidavit or certificate issued by CIPC confirming the exempt micro enterprise's annual turnover and level of black ownership.
9.	Central Supplier Database Report – With supplier number and company details (www.csd.gov.za) <i>Any Bidder should, in terms of National Treasury Instruction Note 3 of 2016/17, be registered as a Supplier on National Treasury Central Supplier Database (CSD).</i> CSD Report to be submitted with a copy of a Tax Status Pin for verification purposes
10.	Annexure C - Confidentiality Non-disclosure

11.	SBD 1 - Invitation to bid
12.	SBD 3.3 - Pricing Schedule: Professional Services
13.	SBD 4 - Declaration of Interest
14.	SBD 8 - Declaration of bidder's past Supply Chain Management Practices
15.	SBD 9 - Certificate of Independent Bid Determination

NOTE:

- **All documentation must be presented in the order specified above.**
- **Each section must be clearly referenced using dividers, indicating sections 1 - 15.**
- **The current insurance cover will be attached to allow each service provider to provide a quote on the same requirements. When the contract is awarded, the service provider is required to advise Iziko Museums on the most cost effective and appropriate cover for its needs.**
- **Bidders must note that the contract is for five (5) years but that insurance cover will be required for one year, and re-assessed at renewed annually over the 5-year period.**

Failure to supply any of the documents stipulated above, in the format requested **WILL** lead to their proposal being disqualified

6. EVALUATION CRITERIA

This proposal will be evaluated in the following manner:

Phase 1: Evaluation process – Submission of compulsory proposal requirements by bidders and compliance to specification:

- The first phase of evaluation is checking and verification of all the mandatory documents to be submitted by the bidders and compliance to specification.
- Bidders are required to comply by the bidder requirements mentioned above.
- Certified copies or original documents will be accepted.
- **Companies that do not comply with the bid requirements will be regarded as non-responsive and will be disqualified.**

Phase 2: Price and Preference Procurement Points System

Application of price and preference points (Please attach an updated BEE certificate/affidavit stating the BEE status level in order to claim points for BEE status level)

Only qualifying proposals will be evaluated for preference points in terms of the preference point system described in Preferential Procurement Regulations of 2017, after meeting the minimum stipulated threshold for functionality criteria, as follows:

Preference Point Criteria	Point Allocation
Price	80
Broad-Based Black Economic Empowerment (B-BBEE)	20
TOTAL POINTS	100

The points scored by the bidder in respect of the points indicated above will be added to the points scored for price.

7. COSTING

- Bidders must provide the total annual premium for the first year and indicate the annual percentage increases for the duration of the contract period, which is five (5) years.

- Bidders must provide separate prices for the non-marine and marine short-term insurance category.
- Prices must include VAT and any other applicable taxes and costs to be listed in ZAR as there will be no additional costs considered after the tender is awarded.

8. REASONS FOR DISQUALIFICATION:

Iziko reserves the right to disqualify any service provider on the following grounds, and such disqualification may be made without prior notice:

- Submission of incomplete documentation and / or information as per the requirements.
- Failure to submit documents stipulated.
- Submission of information that is fraudulent, factually untrue or inaccurate.

Kindly note that correspondence with a supplier, will only be at the discretion of Iziko.

9. AWARDING OF PROPOSALS:

- Iziko is a national public entity and complies with the Supply Chain Management Framework of National Treasury. Iziko is therefore responsible for ensuring a fair, equitable, transparent, competitive and cost effective procurement process for goods and services.
- All proposals will be considered by a Bid Evaluation Committee, which will make a recommendation for the awarding of the bid to Iziko's Bid Adjudication Committee.
- Iziko is not bound to accept any proposal and reserves the right to cancel, withdraw or not to award services, as well as to re-advertise at its sole discretion. Responding to the request does not automatically qualify the suppliers as registered or preferred service providers. Should you not receive a response within 3 (three) months of the closing date, please regard your proposal as unsuccessful.

10. GENERAL PRINCIPLES:

The evaluation process is based on the following principles:

- Iziko will apply the 80/20 preferential points system.
- Iziko applies the provisions of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000), the Preferential Procurement Regulation of 2017, the Public Finance Management Act (PFMA) and the Framework for Supply Chain Management.
- The lowest or only quotation received will not necessarily be accepted.
- Iziko reserves the right to accept or reject any quotation in response to the tender invitation and not to appoint a service provider.

11. FORMAL CONTRACT

- All the appended documentation and the proposal read together, forms the basis for a formal agreement to be negotiated and concluded in a formal contract between Iziko and the Service Provider.
- A mere offer and acceptance shall not constitute a formal contract of any nature for any purpose between Iziko Museums of South Africa and any Service Provider.
- The successful bidder/s will be contracted to provide the goods/services for a period to be agreed after which Iziko Museums of South Africa reserves the right to review and extend the contract for further period/s at Iziko's discretion.

12. BRIEFING SESSION

A compulsory briefing session will be held on **Friday 11 October 2019 at 11:00** at the Iziko South African Museums. A Schedule of claims as well as insured values of Collections will be made available to bidders at the briefing session.

CLOSING DATE AND TIME

Closing date: **05 November 2019 at 12:00**

13. WRITTEN OR TELEPHONIC QUERIES MUST BE DIRECTED TO:

Supply Chain Related:

Ms Noluyolo Ngwilikane

Supply Chain Manager

Iziko Museums of South Africa

Switchboard: +27 (0) 21 481 3800

Direct Line: +27 (0) 21 481 3889

Fax: +27 (0) 21 481 3993

Email: nngwilikane@iziko.org.za

Technical Issues:

Ronell Pedro

Chief Financial Officer

Iziko Museums of South Africa

Switchboard: +27 21 481 3800

Direct Line; +27 21 481 3825/3809

E-Mail: rpedro@iziko.org.za

SUBMISSIONS

The submission(s) must be submitted in a sealed envelope in three copy formats, one in a memory stick. The sealed envelope endorsed with **FIN/INSURANCE/08/2019** must be placed, it must be placed in the box for tenders situated at the Iziko South African Museums and it must be addressed:

Ms Ronell Pedro

Chief Financial Officer

Iziko Museums of South Africa

25 Queen Victoria Street

Cape Town

8001

For all submissions a supplier must sign a register as proof of submission and ensure proposals are placed inside the tender box.

No late submissions or submissions via facsimile or e-mail will be accepted.



Signature:

Ms Ronell Pedro

Chief Financial Officer

Date: 23-9-2019



Signature:

Ms Rooksana Omar

Chief Executive Officer

Date: 23.9.2019.

ANNEXURE A – LIST OF LEASED MOTOR VEHICLES

No.	Reg. No.	Make and Model	Retail Values
1.	CA265883	1990 Tagalong Trailer	R 6 000
2.	CA420848	2002 Mercedes Benz	R 160 500
3.	CA990930	2015 Toyota Hilux 2.5	R 454 719
4.	CA990934	2015 Toyota Hilux 2.5	R 269 747
5.	CA840017	2015 Chev Utility 1.4	R 154 560
6.	CA766710	2010 Toyota Dyna	R 229 287
7.	CY311081	1994 Home-Built trailer (Boat)	R 35 767
8.	n/a	2015 Husquarna lawnmower	R 35 844
9.	CA829273	2015 Ford Ranger 2.2	R 342 855
10.	CA990959	2015 Toyota Hilux	R 665 317
11.	CA838065	2015 Ford Ikon 1.6	R 170 445
12.	CA176780	2015 Toyota Quantum 2.5	R 440 283
13.	CA990949	2015 Toyota Etios 1.5XS	R 151 173
14.	CA990955	2015 Toyota Avanza 1.3	R 193 123
15.	CA838656	2015 Ford Figo 1.4	R 148 502
16.	CA687675	2016 Ford Ranger	R 400 099
	EXCESS WAIVER INCLUDED		R 3 867 421

ANNEXURE B – MARINE HULL

No.	Category	Model	Year
1	Vessel	Alley Cat	Older than 5 years
2	Museum Ship	SAS Somerset	Older than 50 years

ANNEXURE C – ASSET VALUES PER ASSET REGISTER

No.	Category	Carrying Amount
1	Furniture	1 375 641
2	Vehicles (Excluding leased in Annexure A above)	588 648
3	Equipment	19 775 725
4	Computers	9 994 652
5	Leasehold Improvement	4 122 479
		R 358 571 450

ANNEXURE D – CURRENT INSURANCE TEMPLATE (to be used for detailed pricing structure)

IZIKO MUSEUMS OF SOUTH AFRICA PREMIUM COMPARISON			
	SUM INSURED	%	Premium Rate
FIRE & PERILS			
Iziko SA Museum, 25 Queen Victoria Street, Cape Town	R 151 200		
Coffee Shop - Plant , Machinery , Furniture & Equipment			
Iziko SA Museum, Queen Victoria Street Cape Town			
All premises of the Insured			
Stock items, Catalogues & Annuals	R 54 000		
2 x 6m Freezer Containers @ R200 000 each	R 432 000		
Claims Preparation Costs	R 5 000		
OFFICE CONTENTS			
All Premises occupied by the Insured - sum insured is not equally split	R 1 944 000		
Entire Contents			
Rent : policy allows for 25% automatic loss of rent cover			
Theft included @ 25% of Sum Insured - limit split between the office premises occupied	R 486 000		
Burglar alarm warranty applies. Theft following forcible and violent entry.			
All museums are fitted with sprinkler systems which extend to the offices as well.			
Additional Claims Preparation Costs	R 5 000		
Fridges & Microwaves are deemed to be included in the sum insured.			
<i>Basic Excess - R1,000 per claim</i>			
<i>Theft/power surge/lightning Excess - 10% of claim min R1,000</i>	R 2 435 000		

ANNEXURE D contd. – CURRENT INSURANCE TEMPLATE (to be used for detailed pricing structure)

MONEY	SUM INSURED	%	Premium Rate
Iziko S A Museum, 25 Queen Victoria Street	R 72 000		
Iziko S A National Gallery, Annexe Government Avenue, Gardens	R 100 00		
Iziko S A Maritime Museum, Info Centre V & A Waterfront	R 5 000		
Iziko William Fehr Collection, Castle of Good Hope	R 12 000		
Iziko Groot Constantia Estate	R 8 000		
Iziko Bo-Kaap Museum, 71 Wale Street	R 2 000		
Iziko Koopmans, De Wet House, 35 Strand Street	R 2 000		
Iziko Michaelis, Old Townhouse, Greenmarket Square	R 2 000		
Iziko Slave Lodge, 49 Adderley Street	R 10 000		
Rust en Vreugd	R 2 000		
Bertram House	R 2 000		
Major Limit total 1 - 11 above	R 127 000		
Receptacles	R 15 000		
Minor Limit	R 7 500		
Clothing	R 7 500		
Locks & Keys	R 15 000		
Crossed Cheques	R 250 000		
Personal Accident and Assault	R 30 000		
FIDELITY GUARANTEE			
All Premises	R 50 000		
Limit any one Loss - Blanket Basis	R 5 000		
BUSINESS ALL RISKS			
Personal Effects of Directors, Employees & Visitors : refer policy - Excess R500	R 20 000		
Movable high value items	R 4 768 118		

ANNEXURE D contd. – CURRENT INSURANCE TEMPLATE (to be used for detailed pricing structure)

	SUM INSURED	%	Premium Rate
GOODS IN TRANSIT			
All Goods Pertaining to the business - All Risks Basis - Load Limit	R 50 000		
Basis of Valuation Cost Price			
Claims Preparation Costs	R 5 000		
PUBLIC LIABILITY			
All Premises - Primary Layers	R 1 000 000		
General & Tenants	R 1 000 000		
Products Liability	R 1 000 000		
Foods & Drink Supplied	R 500 000		
Legal Defence Costs	R 250 000		
Wrongful arrest, Defamation			
EMPLOYERS LIABILITY			
All Premises	R 1 000 000		
Limit of Indemnity			
MOTOR			
Contingent Liability	R 5 000 000		
Passenger Liability- All Other Vehicles	R 5 000 000		
Except	R 1 000 000		
Liability iro any occurrence due to Fire & Explosion	R 5 000 000		
Any other & in the aggregate	R 5 000 000		
Limit iro Car Radios etc.	R 5 000		
ELECTRONIC EQUIPMENT			
All Premises (Inclusive of Xerox Multifunction Copiers)	R 14 718 348		

ANNEXURE B – COLLECTIONS PER BUILDING

IZIKO MUSEUMS OF SOUTH AFRICA		
Schedule of risks		2019
Risk Address		Sum Insured
1	Slave Lodge, Adderley Street	R 3 732 456
2	Groot Constantia Manor House, Wine Museum & Orientation Centre (Thatch)	R 2 219 298
3	Koopmans De Wet house, Strand Street	R 2 219 298
4	Bertram House, Orange Street	R 1 109 649
5	Bo-Kaap Museum, Wale Street	R 90 789
6	S A Maritime Museum, V & A Waterfront	R 504 386
7	Wingfield Store, Wingfield Airbase, Goodwood	R 756 579
8	SANG & Annexe Government Avenue	R 35 287 542
9	S A Museum, Queen Victoria Street (including storage in basement from SHC)	R11 096 491
10	Good Hope Collection, Cape of Good Hope Castle	R 807 018
11	Rust-en-Vreugd	R 907 895
12	Social History Centre, 17 Church Square, Cape Town	R 11 802 632
13	Old Town House Green Market Square	R -
14	William Fehr Collection Cape of Good Hope (Buitenkant Str)	R 6 052 632
15	Libraries	R 2 017 544
TOTAL COLLECTIONS POLICY PREMIUM		R 78 604 208

CLAIMS FOR THE YEAR 2018/2019

Date	Item	Damages	Damage Amount	Amount Received
09-Mar-18	Ford Ranger	Tail light damaged	R3 335,65	R3 335,65
Mar-18	Laptop	Screen cracked	R15 019,43	R13 517,49
08-Mar-18	Collections	Picture print and frame	R1 717,10	R1 095,40
12-Apr-18	Dyna Toyota	Side view mirror	R2 007,12	R2 007,12
19-Apr-18	Switch Board	Switch board at ISAM crashed	R50 787,25	R45 708,53
26-Nov-18	Collections	Two photographs and reframing	R35 645,00	R25 645,00
23-Nov-18	Toyota Hlux CA 990-934	Damaged when reversing	R16 641,48	R16 641,48
07-Dec-18	Toyota Hlux CA 990-934	Damaged side view mirror	R2 597,85	R2 597,85
18-Dec-18	Toyota Avanza CA-990949	Wheels stolen and broken into	R8 482,60	R8 482,60
18-Dec-18	Toyota Quantum Bus CA 176780	Wheels stolen and broken into	R15 380,45	R15 380,45
22-Feb-19	Laptop	Laptop water damage	R31 507,70	R29 858,71
22-Apr-19	Elios 4 hubcaps stolen	Stolen four hubcaps	R2 570,30	R2 570,00
26-Apr-19	Lenovo laptop stolen	Stolen - there was a house break in at D Crous house	R22 597,50	R20 097,50
02-May-19	Lenovo laptop stolen	Car break in Roeland Street	R35 604,00	R32 044,00
22-May-19	Side view mirror	Side view mirror of Lotto Bus	R5 368,00	R5 368,00
29-May-19	Toyota Avanza	Toyota Avanza dent in front of vehicle	R6 359,90	R6 359,50
17-May-19	Toyota Elios CA 990955	Rim of wheel	R2 470,00	Claim Rejected
24-May-19	Toyota Quantum CA 176780	Dent on left fender	R6 573,80	Outstanding
02-Jun-19	Lotto Bus break- in CA 420848	locks broken-need replacements		Outstanding - Damage cost to be determined

R264 665,13