



**DANNHAUSER LOCAL MUNICIPALITY**

**QUOTATION INVITATION FOR RFQ NO: 1202**

**REQUEST FOR QUOTATION DOCUMENT FOR:  
INDIGENT VERIFICATION FOR 131 BENEFICIARIES FOR THE PERIOD OF 25/26  
FINANCIAL YEAR**

**CLOSING DATE: 26 June 2026**

<b>NAME OF SERVICE PROVIDER</b>	
<b>CONTACT PERSON</b>	
<b>E-MAIL ADDRESS</b>	
<b>TELEPHONE NUMBER</b>	
<b>FAX NUMBER</b>	
<b>PHYSICAL ADDRESS</b>	
<b>TOTAL BIDDING PRICE</b>	

<b>Issued By:</b>	<b>Prepared by:</b>
DANNHAUSER MUNICIPALITY Private Bag X1011 Dannhauser 3080 Tel: (034) 621 2291 Fax: (034) 621 3114	FINANCE SERVICES DEPARTMENT DANNHAUSER MUNICIPALITY 1 West Street Dannhauser 3080 Tel: (034) 621 2291 Fax: (034) 621 3114

# DANNHAUSER LOCAL MUNICIPALITY (KZ - 254)

1 West Street  
Private bag X1011  
Dannhauser  
3080



Telephone : (034) 621 2291  
Facsimile : (034) 621 3114  
Email: [procurement@dannhauser.gov.za](mailto:procurement@dannhauser.gov.za)

## SUPPLY CHAIN MANAGEMENT NOTICE OF INVITATION

### INVITATION TO QUOTE - RFQ

<b>Quotation Description</b>	<b>INDIGENT VERIFICATION FOR 131 BENEFICIARIES FOR THE PERIOD OF 25/26 FINANCIAL YEAR</b>
<b>Quotation Number</b>	1202
<b>Invitation Date</b>	18 June 2026
<b>Closing Date and time</b>	The quotation must be submitted no later than, <b>26 June 2026 at 12h00pm</b>
<b>Technical Enquiries</b>	Technical enquiries may be directed to Mr Mbulelo Praise-God Sithole, Finance Services(Revenue) , email: <a href="mailto:PraiseGod@dannhauser.gov.za">PraiseGod@dannhauser.gov.za</a> or Telephonically on 034 621 2291 or at 01 West Street, Dannhauser, during working hours, between 07h30 to 16h00 with a lunch interval from 13h00 to 13h30, Monday to Friday.
<b>SCM Enquiries</b>	SCM enquiries may be directed to Mr. MJ Hlongwane, SCM Manager, email: <a href="mailto:joeh@dannhauser.gov.za">joeh@dannhauser.gov.za</a> or Telephonically on 034 621 2291 or at 01 West Street, Dannhauser, during working hours, between 07h30 to 16h00 with a lunch interval from 13h00 to 13h30, Monday to Friday.
<b>Where quotation can be collected</b>	Documents will be available for download from the municipal website <a href="http://www.dannhauser.gov.za">www.dannhauser.gov.za</a> or can be collected at Dannhauser Municipal Offices (1 West Street, Dannhauser, 3080)
<b>Where Quotation should be delivered</b>	Quotations must be submitted in a sealed envelope: clearly marked " <b>Quotation number &amp; Description</b> " and must be deposited in the tender box situated at the security room of Dannhauser Municipal offices, 1 West Street, Dannhauser, 3080

### Administrative Requirements

- Bid submitted must be complete in all respects
- Most recent CIPC Registration certificate
- Central Supplier Database Registration
- Certified directors ID copies not older than 3 months
- Data relating to spouse of directors to identify possible conflicts of interest

### Criteria 1 - Mandatory Requirements

- Company municipal utility bill matching with CSD on rates proving no arrears for more than 3 months, in the case where the company is operating in areas where municipal charges are not applicable, both Proof of Resident (Ward Cllr) and Affidavit must be submitted or signed lease agreement and municipal utility bill on rates where a company is renting.
- Tax Compliance Status "on the award" - bidder to submit Tax Pin for verification
- Bidder must not be employed in the service of the state "on the award"

- Bidder must not be listed in the Register for Tender Defaulters and/or listed on Restricted Suppliers “on the award”
- Bidders are required to submit sample on closing date.

Failure to comply with the Mandatory Administration Requirements shall result in the offer being considered non-responsive and shall be rejected

### **Criteria 2 – Preferential Point System (80/20)**

<b>The specific goals allocated points in terms of this quotation</b>	<b>Number of points claimed (80/20 system) (To be completed by the municipality)</b>	<b>Number of points claimed (80/20 system) (To be completed by the tenderer)</b>	<b>Means of verification</b>
More than 51% owned by black people = 4 Less than 51% owned by black people = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by women = 4 Less than 51% owned by women = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by youth = 4 Less than 51% owned by youth = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by disabled people = 4 Less than 51% owned by black people = 2	4		Medical Certificate
Enterprise located within: Dannhauser Area = 4 Enterprise located within: Amajuba District = 3 Enterprise located within: Kwa- Zulu Natal = 2 Enterprise located outside: Kwa- Zulu Natal = 1	4		CSD / proof of municipal accounts/affidavit/proof of residence signed by ward Councillor (for those residing in rural areas) / lease agreement
<b>Total</b>	<b>20</b>		

- It is mandatory for bidders to complete MBD 6.1 to claim points for specific goals, failure to complete MBD 6.1 shall be interpreted to mean that the points for specific goals are not claimed.
- Bidders must fill in the tender register stating the date and time when they submitted their tender, available at the tender box
- The Municipality reserves the right to withdraw any invitation to tenders and/or to re-advertise or reject any tender or accept a part of it.
- The Municipality reserves the right to appoint a portion or split the service to service providers
- The Municipality does not bind itself to accepting the lowest tender or award a contract to the bidder scoring the highest number of points.

## **SCOPE OF WORK**

### **INDIGENT AND PENSIONERS REBATE VERIFICATION SYSTEM**

#### **BACKGROUND**

The Dannhauser Local Municipality requires services of a service provider with a System to verify the status of applicants and all occupants who apply for indigent subsidy and Pensioners Rebate

#### **PROPOSAL SHOULD BE ABLE TO DEMONSTRATE – INDIGENT APPLICATION VERIFICATION**

Document management/archiving of all documents related to Indigent application form through a handheld and paper form that can be used in the field and office.

- Integrate with Munsoft Financial system.
- Verification of Indigent Application form
- Validation of Indigent Application data
- Authentication on applicant ID
- Indication if applicant is deceased.
- Indication of marital status
- To verify employment details of an applicant (if applicable).
- To provide current and historic physical address of an applicant.
- Verification of telephone or cell numbers
- Provide information about business connections of applicant (if applicable)
- Provide estimation of applicant income level (if applicable)
- Bulk search function
- Monitor Debtor accounts for accurate Indigent registrations and allow non-qualifying indigent accounts balances to be processed for prioritized collection actions via municipal credit control initiatives.

## **DATA VERIFICATION: SUPPLY CHAIN**

The identification of:

- Possible conflicts of interest.
- Company directors in the service of the state.
- Possible conflicted directors as per MFMA procurement regulations.
- Directorships of employees of the municipality.

## **EXTRACTION OF INFORMATION AS FOLLOWS:**

Most recent CIPC data.

- Profiles of directors, including possible conflicts.
- Data relating to spouses of directors to identify possible conflicts.

## **THE ROLE OF THE SERVICE PROVIDER**

Service provider must ensure that the indigent management system is in line with indigent policy.

Service provider must be available to assist with Audit queries when required.

Contact applicants to obtain necessary information as per the application

Communicate outcome of the review process to the applicants

Verification of households, third party screening of applicants and household members (not limited to Home Affairs, department of labour, South African Social Security agency and credit Bureau) not limited to ID, Income, employment, property ownership, contact details, dependants' verification.

Ensure data integrity, interdepartmental flows and report on the process

Timeframe to complete is 60 days from the date of appointment

## **OTHER REQUIREMENTS**

- Secure, web-based solution (https access) (no IT development required)
- Remote access support services
- Secure access- username and password for each end user
- Audit trail report – reflecting each users searches.
- Audit support and response to AG queries (Prior and current year of audit)
- Audit support and response to AG queries (Prior and current year of audit)

## MANAGEMENT AND MAINTENANCE OF THE SYSTEM

Ongoing support, management and maintenance services for the required Application system must be provided on a continues basis. This should be:

- On-site support
- Off-site support through telephone, emails and/or internet
- System support to ensure the continued availability and correct functioning of the software as well as the
- day to day use of the functions of the software by end users.
- Services support including server hosting, data analysis, data cleansing and data integration services, data verification and workflow compilation, training and re installation.

## FUNCTIONALITY CRITERIA

Key Aspect of criteria	Basis of point allocation	Max point	Verification methods
Proven experience on similar or related project with the local government sector	10 and above letters (25) 08 letters (20) 06 letters (15) 04 letters (10) 02 letter (05) No submission (0)	25 points	Copies of appointment and reference letters be within the 05 years period
Experience and qualification project manager	10-15 years of experience in the local government, relevant qualification (25)  5-9 years of experience in the local government, relevant qualification (20)  0-4 years of experience in the local government, relevant qualification (15)	25 points	Certified copy of Diploma or degree in Accounting  Certified copy of Diploma or degree in information technology  Certified copy of Diploma or degree in public finance

Team Leader	<p>7-9 years of experience in the local government (25)</p> <p>4-6 years of experience in the local government (20)</p> <p>0-3 years of experience in the local government (15)</p>	25 points	Curriculum vitae with relevant certified copies of qualifications
Systems requirements in data search and certification	<p>The verification system within the solution must be linked with DHA, SASSA, Deeds Office, CIPC. {10 Points}.</p> <p>The company must be an original equipment manufacturer (OEM) OR an accredited provider. {10 Points}.</p> <p>Information and Security Management{05 Points}.</p>	25 points	<p>Service provider must provide a bureau or channel partner letter Requirements met=10 points Requirements not met=0 points</p> <p>OEM letter or accreditation letter Requirements met=10 points Requirements not met=0 points</p> <p>ISO 27001 certificate Requirements met=05 points Requirements not met=0 points</p>

Under functionality, Bidders must achieve a minimum of 75% (rounded to the nearest decimal point) for functionality (quality) in order to be considered for further evaluation in stage 2 (Evaluation on Price and SPECIFIC GOAL). Bidders that score less than 75% (rounded to the nearest decimal point) will be disqualified.

**NB: Only the combined Price & SPECIFIC GOAL points will determine the highest point scoring bidder to be awarded the contract**

**PART A  
INVITATION TO BID**

**MBD 1**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DANNHAUSER LOCAL MUNICIPALITY**

RFQ NUMBER:	1202	CLOSING DATE:	26 June 2026	CLOSING TIME:	12h00pm
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DESCRIPTION	<b>INDIGENT VERIFICATION FOR 131 BENEFICIARIES FOR THE PERIOD OF 25/26 FINANCIAL YEAR</b>
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**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT THE SECURITY ROOM OF DANNHAUSER MUNICIPAL OFFICES

**1 West Street  
Dannhauser  
3080**

**SUPPLIER INFORMATION**

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE		NUMBER
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE		NUMBER
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
TAX COMPLIANCE STATUS	TCS PIN:		OR CSD No:
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:      TECHNICAL INFORMATION MAY BE DIRECTED TO:**

DEPARTMENT	SCM	DEPARTMENT	FINANCE(Revenue)
CONTACT PERSON	MJ Hlongwane	CONTACT PERSON	MP Sithole
TELEPHONE NUMBER	034 621 2291	TELEPHONE NUMBER	034 621 2291
FACSIMILE NUMBER	034 621 3114	FACSIMILE NUMBER	034 621 3114
E-MAIL ADDRESS	<a href="mailto:joeh@dannhauser.gov.za">joeh@dannhauser.gov.za</a>	E-MAIL ADDRESS	<a href="mailto:praisegod@dannhauser.gov.za">praisegod@dannhauser.gov.za</a>

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  YES  NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.  
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

**PRICING SCHEDULE – FIRM PRICES  
(PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of Bidder..... RFQ Number: 1202
Closing Time ...12h00pm..... Closing Date: 18/06/2026

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

**INDIGENT VERIFICATION FOR 131 BENEFICIARIES FOR THE PERIOD OF 25/26 FINANCIAL YEAR**

DESCRIPTION	QUANTITY	PRICE PER UNITE	TOTAL PRICE (INCLUDING ALL APPLICABLE TAXES)
1. Verification of 103 indigents in the Dannhauser Municipality Indigent Register.	131		
	Total before VAT		
	VAT		
	Total after VAT		

- Required by: Dannhauser Municipality
- At: 1 West Street, Dannhauser, 3080
  - Country of Origin SOUTH AFRICA
  - Does the offer comply with the specification(s)? .....  
\*YES/NO
  - If not to specification, indicate deviation(s) .....
  - 
  - Period required for delivery .....5 DAYS.....  
\*Delivery: Firm/Not firm

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

**MBD 4**

**DECLARATION OF INTEREST**

- 1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? ..... **YES / NO**

3.9.1 If yes, furnish particulars.....

.....  
3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....  
3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....  
3.12 Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....  
3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....  
3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity Name of Bidder**

.....  
**Bidders Name**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems is applicable to this invitations to quotation:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

**1.2 To be completed by the Dannhauser Municipality**

The applicable preference point system for this tender is the 80/20 preference point system.

a) The 80/20 preference point system will be applicable in this quotation. The lowest/ highest acceptable quotation will be used to determine the accurate system once tenders are received.

1.3 Points for this quotation (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

**1.4 To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

#### 80/20

$$Ps = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 points is allocated for price on the following basis:

## 80/20

$$P_s = 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

- $P_s$  = Points scored for price of tender under consideration  
 $P_t$  = Price of tender under consideration  
 $P_{max}$  = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

***(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.***

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The specific goals allocated points in terms of this quotation	Number of points claimed (80/20 system) (To be completed by the municipality)	Number of points claimed (80/20 system) (To be completed by the tenderer)	Means of verification
More than 51% owned by black people = 4 Less than 51% owned by black people = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by women = 4 Less than 51% owned by women = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by youth = 4 Less than 51% owned by youth = 2	4		Certified ID copies (Directors) / CSD Report / Shareholders Certificate
More than 51% owned by disabled people = 4 Less than 51% owned by black people = 2	4		Medical Certificate
Enterprise located within: Dannhauser Area = 4 Enterprise located within: Amajuba District = 3 Enterprise located within: Kwa- Zulu Natal = 2 Enterprise located outside: Kwa- Zulu Natal = 1	4		CSD / proof of municipal accounts/affidavit/proof of residence signed by ward Councillor (for those residing in rural areas) / lease agreement
<b>Total</b>	<b>20</b>		

#### DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

#### 4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

.....

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p><b>Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector?</b></p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>(To access this Register enter the National Treasury’s website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....**  
**CERTIFY THAT THE INFORMATION FURNISHED ON THIS**  
**DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY**  
**BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by: Dannhauser Local Municipality

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.