DANNHAUSER LOCAL MUNICIPALITY

QUOTATION INVITATION QUOTATION NO: 1206

REQUEST FOR QUOTATION DOCUMENT FOR:

REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026

CLOSING DATE: 12 August 2026

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

Issued By:	Prepared by:
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

SUPPLY CHAIN MANAGEMENT
NOTICE OF INVITATION

INVITATION TO QUOTE -

Quotation Description	**REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026**
Quotation Number	RFQ/1206
Invitation Date	05 August 2026
Closing Date and time	The quotation must be submitted no later than, **12 August 2026 at 12h00pm**
Technical Enquiries	Technical enquiries may be directed to Mr. Sikelela Buthelezi, Manger : Budget & Asset, email: sidwells@dannhauser.gov.za 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.
SCM Enquiries	SCM enquiries may be directed to Mr. MJ Hlongwane, SCM Manager, email: joeh@dannhauser.gov.za or Telephonically: 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.
Where quotation can be collected	Documents will be available for download from the municipal website www.dannhauser.gov.za or can be collected at Dannhauser Municipal Offices (1 West Street, Dannhauser, 3080)
Where Quotation should be delivered	Quotations must be submitted in a sealed envelope: clearly marked "**Quotation number & Description**" and must be deposited in the tender box situated at the security room of Dannhauser Municipal offices, 1 West Street, Dannhauser, 3080

Criteria 1A- Administrative Requirements

- The **official Bid document** must be fully completed in indelible black ink where mechanical devices, e.g. typewriters or printers, are not used. Where information requested does not apply to the Bidder and the space is left blank, it will be deemed to be incomplete and may result in proposal being disqualified.
- Certified ID certificate(s) of all directors, members and/or shareholders, not older than 3 months
- Central Supplier Database Registration (CSD)
- Authority of signatory.

Criteria 1B - 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.
- The valid Compensation for Occupational Injuries and Diseases Act (COIDA) certificate.
- In the case of a Joint Venture / Consortium every member must submit a separate Tax Clearance Certificate / Tax compliance/ Pin, other supporting documents and a joint BBBEE certificate or sworn affidavit with the bid documents, failure to submit will disqualify the bid.
- 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**"

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

DANNHAUSER LOCAL MUNICIPALITY

TERMS OF REFERENCE FOR PROVISION OF REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026

REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026

Quality Assurance Review of Municipal Annual Financial Statements

1. Purpose

The purpose of the assignment is to conduct an independent quality assurance review of the Municipality's Annual Financial Statements prepared in accordance with the Municipal Finance Management Act (MFMA), Generally Recognized Accounting Practice (GRAP), and other applicable legislation prior to submission to the Auditor-General of South Africa (AGSA).

2. Objectives

The appointed service provider shall:

- Assess the overall quality of the Annual Financial Statements.
- Ensure compliance with all applicable GRAP Standards.
- Verify compliance with the MFMA and related regulations.
- Identify material misstatements and disclosure deficiencies.
- Improve the quality of financial reporting before audit submission.
- Reduce the risk of audit findings relating to financial statements.

3. Scope of Work

The successful bidder shall perform, but not be limited to, the following:

A. Review of the Annual Financial Statements

Review of the complete Annual Financial Statements including:

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Changes in Net Assets
- Cash Flow Statement
- Statement of Comparison of Budget and Actual Amounts
- Accounting Policies
- Notes to the Financial Statements

B. GRAP Compliance Review

Review compliance with all applicable GRAP Standards, including but not limited to:

- GRAP 1
- GRAP 17
- GRAP 31
- GRAP 19
- GRAP 23
- GRAP 24
- GRAP 103
- GRAP 104
- GRAP 108
- GRAP 109

Including any other standards applicable to municipalities.

The review should include:

- Recognition
- Measurement
- Classification
- Presentation
- Disclosure

C. Compliance Review

Review compliance with:

- Municipal Finance Management Act (MFMA)
- Municipal Systems Act
- Municipal Regulations
- National Treasury MFMA Circulars
- GRAP Reporting Framework
- Municipal Budget and Reporting Regulations (MBRR)

D. Supporting Schedules

Review all supporting working papers including:

- Asset Register
- Investment Register
- Cash and Bank Reconciliations
- Receivables
- Property Rates
- Consumer Debtors
- Payables
- Employee Benefits
- Provisions
- VAT
- Revenue
- Conditional Grants
- Commitments
- Contingent Assets and Liabilities
- Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFW)
- Lease Registers
- Borrowings

E. Financial Statement Review

Perform detailed analytical procedures on:

- Material movements
- Prior year comparisons
- Budget variances
- Financial ratios
- Consistency between statements and notes
- Cross-referencing
- Mathematical accuracy

F. Disclosure Checklist

Complete a comprehensive disclosure checklist to ensure:

- All mandatory disclosures have been made.
- Notes agree with supporting schedules.
- Financial statements are internally consistent.
- No required disclosures have been omitted.

G. Audit Readiness Assessment

Assess the Municipality's readiness for audit by:

- Reviewing audit evidence.
- Assessing the adequacy of supporting documentation.
- Identifying areas of audit risk.
- Assessing prior-year audit findings.
- Evaluating the implementation of corrective actions.

H. Review of Prior-Year Findings

Review whether previous Auditor-General findings relating to:

- Annual Financial Statements
- Material Misstatements
- Internal Controls
- Financial Reporting have been adequately addressed.

I. Material Misstatement Review

Identify:

- Errors
- Omissions
- Misclassifications
- Incorrect disclosures
- Accounting treatment inconsistencies

Provide recommendations for correction before submission.

J. Quality Assurance Report

Prepare a detailed Quality Assurance Report containing:

- Executive Summary
- Key Findings
- Material Risks
- Compliance Gaps
- Recommended Adjustments
- Recommended Journal Entries
- Required Note Amendments
- Overall Readiness Assessment

4. Deliverables

The service provider shall provide:

- Quality Assurance Review Report
- Detailed Findings Register
- GRAP Compliance Checklist
- Disclosure Checklist
- Schedule of Proposed Adjustments
- Schedule of Recommended Journal Entries
- Audit Readiness Assessment Report
- Final Clearance Report confirming the quality review has been completed

5. Expected Outcomes

The assignment should result in:

- High-quality Annual Financial Statements.
- Compliance with applicable GRAP standards and legislation.
- Reduction in material audit adjustments.
- Improved financial reporting.
- Strengthened audit readiness.
- Reduced risk of material misstatements.

6. Skills and Experience Required

The service provider should demonstrate:

- Extensive experience in preparing and reviewing municipal Annual Financial Statements.
- Expert knowledge of GRAP and the MFMA.
- Proven experience supporting municipalities during AGSA audits.
- Registered Chartered Accountants (SA), Registered Government Auditors (RGA), or other suitably qualified professionals with municipal financial reporting expertise.
- At least five years' experience in municipal financial reporting and audit support.

7. Timeframes

The assignment should commence immediately after the preparation of the draft Annual Financial Statements and be completed before submission to the Auditor-General. The review should include daily feedback sessions with management to ensure identified issues are resolved promptly, with a final Quality Assurance Report issued before the statutory submission date.

This scope of work is suitable for inclusion in an RFQ or bid specification and reflects best practice for municipal AFS quality assurance, aligning with the MFMA, GRAP, National Treasury guidance, and Auditor-General expectations.

1. **COMPETENCY/EXPERTISE REQUIRED**

- Knowledge and expertise in the application of the Generally Recognised Accounting Practices in the Public Sector.
- Thorough knowledge and understanding of the Public Sector Annual Financial Statement requirements.

- Knowledge of the Municipal Standard Chart of Accounts (mSCOA) for Municipality.
- Knowledge and experience in working with Municipal systems which include Munsoft and VIP.
- Extensive experience in addressing audit related matters in the public sector.
- Thorough knowledge of the MFMA, associated regulations and instruction notes.
- Knowledge and expertise in movable and immovable assets management.
- Knowledge and experience in internal audit and forensic investigations.
- Actuarial valuations qualifications and experience.
- Ability to transfer skills and expertise Performance through training to Dannhauser Municipality, public entities and municipal staff.
- Knowledge of the Management frameworks for Dannhauser Municipality and public entities.
- Service providers are required to provide personnel with the required competency and skills necessary to complete the task assigned.

2. COMMUNICATION AND REPORTING

The successful bidder(s) will report to the Chief Financial Officer in relation to assignments in accordance with agreed terms as would be documented on the subsequent service level agreements or contracts. 6.2 Particular projects will be initiated by means of written instructions to the successful bidders on competitive basis, backed by verbal briefings where necessary.

3. DETAILS OF SERVICE PROVIDER'S PROPOSAL

Prospective service provider must prepare a detailed proposal with a methodology and project plan meeting the scope of the services they are responding to. In addition, the following should be provided;

- Company/Individual profile.
- Similar financial management assignments undertaken, contactable references, nature of assignment, duration and value of assignments.
- Profile of various Financial Management specialists as depicted on the scope above.

4. CONDITIONS

Proposals may be submitted for any or all of the categories indicated in the scope above. Responses should, however, clearly indicate which category the bidder is responding to and include the following:

a. A response to each of the elements in the evaluation matrix of not more than ten (10) pages per element including annexure(s), if any.

b. Where an entity forms a joint venture or a consortium with (an) other entities(y), the parties to this agreement must express in the bid proposal what aspect of the scope of work each party would be adding value to and what percentage each party will receive in terms of the proceeds flowing from any assignment.

c. The bidders are required to ensure that the individual directors and technical staff/financial management specialist experience is clearly documented in the proposal.

d. It is further imperative that the bidder ensures that the curriculum vitae of individual resources is not included in other bidder proposals. Should a duplication of curriculum vitae be identified across proposals, such curriculum vitae will be disregarded for both bidders during evaluation.

e. Proposals should also clearly indicate how bidders intend to transfer skills to the Dannhauser financial management and Municipal officials.

f. As and when assignments are agreed upon, the Dannhauser Municipality will pay based on the rates as per the pricing schedule. The Bidder is required to specifically indicate its acceptance of this condition. The bidder's staff complement must address the demographics of the country in line with government policies and must provide evidence that it is complying with transformation in terms of Broad Based Black Economic Empowerment Act (B-BBEE).

h. Payment will only be made upon approved deliverables. The service provider should note that no payment will be made should the Municipality not be satisfied with the standard of deliverables.

i. The successful bidder(s) will enter into a contractual agreement(s) with the Dannhauser Municipality confirming the appointment on the list of service providers.

5. EVALUATION CRITERIA 2- PANEL OF FINANCIAL SERVICES

Bids that **scores less than 75% of** the points allocated for functionality will be eliminated from further participation in the bid evaluation process.

Allocation of work will be based on the outcome of price evaluation criteria on quotation to be submitted by each service provider on request by the municipality.

EVALUATION CRITERIA	ALLOCATION OF POINTS	WEIGHT
FIRM OF CHARTERED ACCOUNTANT	- CK with one member that is a chartered accountant – 20 Points	- 20 Points
QUALIFICATION OF A TEAM LEADER	- Chartered Accountant with more than 10 years – 20 Points - BCom Honors with Articles -10 Points - BCom – 5 Points	- 20 points
PREVIOUS EXPERIENCE ON SIMILAR PROJECT & AUDIT OUTCOME	- 5 Letters of reference supported by proof Unqualified/Clean Audit Opinions – 25 Points - 3 Letters of reference supported by proof Unqualified/Clean Audit Opinions – 15 Points - 2 Letters of reference supported by proof Unqualified/Clean Audit Opinions – 10 Points - Less than 2 Letters of reference supported by proof Unqualified/Clean Audit Opinions – 0 Points	- 25 points
TEAM COMPOSITION	- 2 BCom Honors with Articles -10 Points - Consultants – 5 Points	- 10 points
METHODOLOGY	- Provide a detailed proposal addressing the scope of the services and a project plan.	10 Points
TEAM INCLUDES A CASEWARE CHAMPION	TEAM INCLUDES A CASEWARE CHAMPION	5 points
CLEAR SKILL TRANSFER PLAN		5 points
CLEAN AUDIT OUTCOMES	- At least one clean audit outcome on review or preparation of AFS - 5 Points	5 points
- Total		100

NB: Bids that score less than 75% of the points allocated for functionality will be eliminated from further participation in the bid evaluation process.

Criteria 3 – Preferential Point System (80/20)

The applicable preference point system for this tender is an 80/20 preference point system, where 80 points will be allocated for price and 20 points will be allocated for specific goals as follows:

The specific goals allocated points in terms of this tender	Number of points claimed (80/20 system) (To be completed by the tenderer)	Means of verification
Pricing = 80		
Preference Goals 1: Specific goals Ownership (maximum points10) Enterprises must be at least 51% owned by: black people = 10 points Enterprises less than 51% owned by: black people = 5 points	**10**	CIPC registration certificate (Companies and Intellectual Property Commission) / Detailed CSD report / Certified copy RSA Identity document of the director(s).
Preference Goals 2: RDP Goals (Max points = 10) Enterprises address located within: Amajuba District = 10 points Enterprises address located within: Kwa- Zulu Natal = 6 points Enterprises address located outside: Kwa- Zulu Natal = 2 point	10	CSD / proof of municipal accounts/affidavit/proof of residence signed by ward Councillor (for those residing in rural areas)

- 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.

PART A
INVITATION TO BID

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DANNHAUSER LOCAL MUNICIPALITY					
RFQ NUMBER:	1206	CLOSING DATE:	12 August 2026	CLOSING TIME:	12h00pm
DESCRIPTION	**REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026**				
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?**	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐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	Joe Hlongwane	CONTACT PERSON	Sikelela Buthelezi
TELEPHONE NUMBER	034 621 2291	TELEPHONE NUMBER	034 621 2291
FACSIMILE NUMBER	034 621 3114	FACSIMILE NUMBER	034 621 3114
E-MAIL ADDRESS	joeh@dannhauser.gov.za	E-MAIL ADDRESS	sidwells@dannhauser.gov.za

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: …………………………………………...

MBD 3.1

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 NO: 1206

Closing Time: 12H00PM Closing Date: 12 August 2026

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2026

DESCRIPTION			**TOTAL PRICE**
Consultation fees			
Total before VAT			
VAT			
Total after VAT			

Required by: Dannhauser Municipality
- At: 1 West Street, Dannhauser, 3080

- Country of Origin ………………RSA……………………….

- Does the offer comply with the specification(s)? ………………………………….. *YES/NO
- If not to specification, indicate deviation(s) ………………………………………
-
- Period required for delivery ……………..3 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[1].

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[2]):………………………..

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**

3.8.1Ifyes, furnish particulars.….…………………………………………………………

…………………………………………………………………………………………..

[1]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.

[2] 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**

3.9.1Ifyes, 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**

3.10.1Ifyes, 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**

3.11.1Ifyes, 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**

3.13.1Ifyes, 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

MBD 6.1

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

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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

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

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

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right)$$

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmax	=	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 tender	Number of points claimed (80/20 system) (To be completed by the tenderer)	Means of verification
Pricing = 80		
Preference Goals 1: Specific goals Ownership (maximum points10) Enterprises must be at least 51% owned by: black people = 10 points Enterprises less than 51% owned by: black people = 5 points	**10**	CIPC registration certificate (Companies and Intellectual Property Commission) / Detailed CSD report / Certified copy RSA Identity document of the director(s).
Preference Goals 2: RDP Goals (Max points = 10) Enterprises address located within: Amajuba District = 10 points Enterprises address located within: Kwa- Zulu Natal = 6 points Enterprises address located outside: Kwa- Zulu Natal = 2 point	10	CSD / proof of municipal accounts/affidavit/proof of residence signed by ward Councillor (for those residing in rural areas)

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: ……………………………………………………….
……………………………………………………….
……………………………………………………….
……………………………………………………….

MBD 8

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	**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?** **(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the *audi alteram partem* rule was applied).**	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	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)? **(To access this Register enter the National Treasury's website, www.treasury.gov.za, 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).**	Yes ☐	No ☐
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 ☐	No ☐
4.3.1	If so, furnish particulars:		

Item	Question	Yes	No
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 ☐	No ☐
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 ☐	No ☐
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**

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids[1] 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).[2] 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:

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

[2] 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:

____

(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[3] 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

[3] **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.**