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SUPPLY CHAIN MANAGEMENT UNIT

RE-ADVERTISEMENT

QUOTATION NO: 13/26/27

APPOINTMENT OF A SERVICE PROVIDER TO RENDER FRAUD AND WHISTLEBLOWER HOTLINE SERVICES FOR A PERIOD OF 3 YEARS

Quotations are hereby called from suitably and experienced service providers to provide a service of fraud and Whistleblower Hotline services for a period of 3 Years

INTRODUCTION AND BACKGROUND

Mandeni Local Municipality (Municipality) has adopted a "zero-tolerance" culture to fraud and corruption in all its manifestations. The fraud-free environment is anchored by the key pillars of fraud prevention, detection and responsiveness to fraud and corruption when it occurs. Hence a need for a service provider that will supply and manage the Fraud Hotline.

PURPOSE

The Municipality is looking for an independent service provider to offer an anonymous anti-fraud hotline service for a period of 36 months to provide a platform for reporting of suspected/alleged fraud, corruption, mismanagement theft, bribery, and other similar activities in the business of the Municipality. The anti-fraud hotline must enable the reporting of suspected fraud by both internal and external stakeholders of the Municipality.

OBJECTIVES

The primary objective of this specification is to appoint an experienced, suitably qualified, and competent professional service provider to provide an Anti-Fraud and Corruption Hotline Service with a Case Management System (CMS).

Considering the project objectives, a summary of the activities that the Service Provider must conduct are as follows:

- ◆ Furnish Mandeni Local Municipality with details of the various reporting mediums, including a unique toll-free number, hotfix number, hotspot address, Hotmail address and web-based reporting link;
- ◆ Manage all aspects of the day-to-day operation of the Anti-Fraud and Corruption Hotline services on behalf of the Mandeni Local Municipality;

Clr. TP Mdlalose (Mayor) | Clr. BL Magwaza (Deputy Mayor) | Clr. PM Sishi (Speaker) | Ex Officio Mr S Khuzwayo (Municipal Manager)
Clr. SZ Mdletshe | Clr. ST Magwaza | Clr. M. Shelembe | Clr. BA Mchunu | Clr. SC. Mdletshe

- ❖ Assist the Mandeni Local Municipality in launching and creating awareness of the toll-free line services; and
- ❖ Assist Mandeni Local Municipality in developing continuous marketing initiatives aimed at sustaining awareness of the toll-free line services.

VALUE FOR MONEY

The Mandeni Municipality expects value for money from this tender. Measurement of Value for money is directly related to the quality of services provided in comparison with the money paid for such services and can be equated with added value.

CONDITIONS OF CONTRACT AND TIMEFRAME

- ❖ The appointed service provider is required to submit monthly reports of the work completed with accompanying invoices.
- ❖ The appointed service provider will be required to submit a project charter that will be utilized to monitor the project.
- ❖ The appointed service provider is required to commence work within 2-week period upon receiving the Letter of award
- ❖ In addition to the above conditions of contract, the Service Level Agreement and National Treasury General Conditions of Contract shall provide further terms and conditions.
- ❖ Service providers interacting with municipal data will be required to be compliance with Mandeni POPIA Policy and other relevant regulations i.e. GDPR.

PAYMENT ARRANGEMENTS

- ❖ The Service Provider shall submit original invoice/certificate, that will show amount claimed; the service provider shall submit invoice reflecting the purchase order number and the amount claimed. All original invoices must be submitted by the Service Provider to the Municipality in the company's letter head
- ❖ Should the Municipality accept the invoice; payment shall be made to the Service Provider within thirty (30) days after certification

SPECIFICATION

The hotline should provide the following:

- ❖ A secure toll-free customized and dedicated hotline number that will be active and managed for twenty-four (24) hours, seven (7) days a week and three hundred

and sixty-five (365) days a year whichever is applicable, to enable all relevant stakeholders to report irregular, unlawful and corrupt related activities;

- ❖ A secure and well-equipped 24-hour Call Centre run with well-trained staff;
- ❖ Provide services in all 11 official South African languages. Proficiency in IsiZulu/ Afrikaans/ IsiXhosa.
- ❖ Provide an option for: "Fraud related", "Corruption related" and "Ethics related" allegations. Call Operators should be able to distinguish between the options
- ❖ Case Management System (CMS) that ensures that whistle-blower's reports remain protected, in line with Protected Disclosure Act (PDA) and Protection of Personal Information (POPI) requirements, and the Bidder can grant access to the MLM designated officials using password protected login access
- ❖ The information transcribed in the report will distinguish between fraud and ethics allegations and be transmitted to Municipality designated officials, who will be responsible for taking actions on the information received from such reports
- ❖ The Municipality Anti-Fraud and Ethics Hotline will be available for whistleblowers and callers and will attend to disclosures reported via the following channels;
 - Emails - Provide a separate secure address that will safeguard the identity of the whistle-blower.
 - Free Post.
 - website on www.....co.za
 - SMS.
- ❖ A link to the Municipality branded Anti-Fraud and Ethics Hotline, from the Municipality Intranet and Internet site, for access by staff and external stakeholders
- ❖ The browser compatibility must, at minimum, support Microsoft Edge and Google Chrome

PROJECT DELIVERABLES

- ❖ The service provider shall meet the following requirements and provide services of this nature:
- ❖ Provide a platform for the Anti-Fraud and Ethics Hotline with a Case Management System (CMS). The system should provide access to designated Municipality officials to relevant functionalities aligned to service offerings and to view/Download relevant reports of logged/reported cases.
- ❖ Calls must be screened, transcribed and submitted to the municipality within 48 hours.
- ❖ Monthly reports and emergency reports to be forwarded to the Municipality.
- ❖ Training for Municipal employees on the use of the system.

- ❖ Dedicated official from the service provider responsible for reporting to the municipality.
- ❖ Start-up awareness campaign material including but not limited to:-
 - Information booklets pamphlets and stickers on fraud;(To be displayed and distributed during awareness campaigns and in Libraries and Museums).
 - Corporate branding paraphernalia
 - promotional awareness material to be displayed in all municipality buildings that should be reviewed as and when required.
 - A web-based or automated annual Fraud and Ethics survey, customised to Municipality needs, sent to Municipality employees and service providers, one (1) month after commencement of the SLA and annually thereafter.
 - Provide training and awareness on Fraud Risk Management to all relevant stakeholders biannually, based on among others, the Municipality survey outcome; areas requiring improvement for Municipality and new developments and trends in Fraud Risk Management and Ethics Management. These costs should be included in the Municipality Pricing Schedule.
 - Compile an informative and Educational Quarterly Electronic Newsletter, on Anti-Fraud and Corruption, and Ethics Management topics, to be posted on the Municipality website and emailed to all Municipality staff.
 - Activity reports per action plan upon completion,
 - Draft procedures for adoption,
 - Amendments to the Whistle-blowing Policy for adoption.
 - System should include Uninterrupted Power Supply
- ❖ Incident reports
 - The service provider shall ensure that Municipality shall receive incident reports within two (2) days of the reported incident.
 - An incident shall be deemed to be all information received through the contact channels.
 - The CMS system-generated reports shall present all incidents reported through the Hotline and be able to print a PDF document.
- ❖ Technical requirements
 - All information is stored on hardened servers with encrypted databases located within the boundaries of South Africa and follows the Protection of Personal Information Act, 4 of 2013 and the King IV Code.
 - The security on all voice loggings shall be guaranteed.

- The Service Provider shall ensure the storage and recording of all calls, in line with the National Archives Act, and for at least three (3) years, or for the duration of the investigation of legal proceedings on matters reported via the Hotline.
- The Service Provider shall ensure that the anonymity and identity of callers are always protected.
- No line identification or IP address information is captured or stored on the Anti-Fraud & Ethics Hotline Solution Software.
- No recordings or transcripts of the recordings will be made available to Municipality or any other third party unless ordered to do so by a court of law, or a law enforcement agency.
- The physical address of the Municipality Anti-Fraud and Ethics Hotline is undisclosed, and access is restricted by biometrics access.
- All computer hardware and software access is protected by multiple layers of access control and/ or network authentication, and no unauthorised users have direct access to the hardware and data storage.
- The service provider has a thorough and robust Disaster Recovery and Continuity Plan in place, made effective through constant revision, testing and improvements. This guarantees Municipality continuity of operations if the service provider has experienced an Emergency or Disaster.

PRICING SCHEDULE

Item	Description	Unit of Measure	Qty	Unit Price Excl Vat	Price Excl. Vat
1.	Establishment Once off cost at the commencement of the project covering dedicated line, number activation and all communication channels in 5 of the scope.	Sum	1		
2.	Training Training of the Municipal staff responsible.	Sum	1		
3.	Subscription fee: Including Monthly Statistical Feedback on reports received, assessment of providing Fraud, Ethics and Corruption training and awareness, including travelling. Payable monthly irrespective of the number of reports received.	Monthly	36		
4	Annual awareness campaigns (including pamphlet information). Annual awareness campaigns (including pamphlet information).	Annually	3		

5.	Drafting and coordinating a questionnaire for the automated survey.	One after the commencement of the project and yearly thereafter	3		
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The bidder shall be evaluated on the service of whistleblowing to determine the eligibility to perform this task.

No	Evaluation Matrix	Point	Means of verification	Score								
1.	Previous Experience on Fraud / Corruption and Whistleblower Hotline (For each Project, provide <u>appointment letters / purchase orders with traceable reference letters</u> from the Client and It must be signed. The bidder shall furnish a list of fraud/ corruption hotline services and recommended by all referees as being competent and capable of executing the works without qualification <table><tr><td>Number of services</td><td>3</td><td>4</td><td>4 and above</td></tr><tr><td>Points</td><td>5</td><td>10</td><td>20</td></tr></table>	Number of services	3	4	4 and above	Points	5	10	20	20	Traceable award letters /purchase orders with reference letters	
Number of services	3	4	4 and above									
Points	5	10	20									
2.	Experience of a Key personnel member In handling whistle blowing service. The bidder shall submit the curriculum vitae (CV) of the proposed key personnel member who will be responsible for managing the project. The CV shall include a list of similar projects undertaken over the past ten (10) years, together with client references. Each reference shall include the name, designation, organization, and contact details of a person who may be contacted to verify the bidder's experience and the information provided. <table><tr><td>Number of projects undertaken</td><td>1</td><td>2-3</td><td>4 and above</td></tr><tr><td>Points</td><td>5</td><td>10</td><td>20</td></tr></table>	Number of projects undertaken	1	2-3	4 and above	Points	5	10	20	20	Résumé/CV of facilitator with relevant experience on whistleblowing management	
Number of projects undertaken	1	2-3	4 and above									
Points	5	10	20									
3	Qualifications of Key a personnel member In handling whistle blowing service. The bidder shall furnish a CV of the proposed key personnel with the qualification possessed relevant to handle whistle blowing services. <table><tr><td>Level of education</td><td>Certificate in Legal/ Forensic Investigation/Auditing/ Risk Management/ Criminology</td><td>National diploma in legal/ Forensic Investigation /Auditing/ Risk Management/ Criminology</td><td>Degree in Law/ Forensic Investigation/ Auditing/ Risk Management/ Criminology</td></tr><tr><td>Points</td><td>5</td><td>10</td><td>20</td></tr></table>	Level of education	Certificate in Legal/ Forensic Investigation/Auditing/ Risk Management/ Criminology	National diploma in legal/ Forensic Investigation /Auditing/ Risk Management/ Criminology	Degree in Law/ Forensic Investigation/ Auditing/ Risk Management/ Criminology	Points	5	10	20	20	Qualifications / certificate of the proposed key personnel	
Level of education	Certificate in Legal/ Forensic Investigation/Auditing/ Risk Management/ Criminology	National diploma in legal/ Forensic Investigation /Auditing/ Risk Management/ Criminology	Degree in Law/ Forensic Investigation/ Auditing/ Risk Management/ Criminology									
Points	5	10	20									
4	Methodology & Approach	20	Attach a clear									

The bidder must provide a detailed, chronological breakdown of the work activities, demonstrating a clear understanding of the scope of work and how the project will be implemented.				methodology to demonstrate your know how	
Rubric of claiming points	Out of balance	Minimum understanding	Clear understanding		
Points	0	10	20		
5.	The bidder must score a minimum of 50 point to qualify to be further evaluated				

Quotations will be evaluated and adjudicated according to the following criteria:

The following PPPFA Regulations 2022 Specific Goals are applicable for 80/20 evaluation criteria:

Specific Goal	Maximum Allocated Points
Enterprise Located	Within the iLembe Region
	Within the KZN Province
	Within the National Region
EME or QSE which is at least 100% owned by black people	
Enterprise 100% owned by Women	
Enterprise 100% owned by Youth	
Enterprise 100% owned by people with disability	

- Supplier must be registered on the National Treasury's Central Supplier Database (CSD) and provide a proof of registration. The information recorded on your CSD report will be used to verify the following information: tax compliance status; company registration details; banking details; identity numbers of directors and employees in the service of the state.
- Council's Supply Chain Management Policy.
- Quotations must be submitted on the official letterhead of your business and be valid for the period of 30 days. If quotations are called for number of items, unit price per item must be stated and total amount. No quotations will be considered from persons in the services of any organ of the state.
- Prices quoted must be firm and inclusive of VAT and unit price per item must be stated as well as total amount.
- Company registration document with CIPC.
- Service providers to complete in fully all relevant MBD's (1,4,8,9) that are available on the Municipal website.
- A copy of the most recent municipal account in which the business is registered. Local municipality (rates, electricity and other) or if the bidder is a tenant, then a full lease agreement and a certificate from landlord indicating that the levies are not in arrears or a proof of residence and affidavit stating that the ward in which business is registered is exempted from paying rates, electricity and water. Documents must be provided for both the entity and director(s). Failure to attach will lead to disqualification.
- All prospective tenderers will be screened in accordance with the National Treasury's Defaulters Database.
- No quotations will be considered from persons in the services of any organ of the state.
- Non-compliance with the above-mentioned criteria will lead to disqualification.

Quotations are to be completed in accordance with the Specification and must be sealed in an envelope and marked "APPOINTMENT OF A SERVICE PROVIDER TO RENDER FRAUD AND WHISTLEBLOWER HOTLINE SERVICES FOR A PERIOD OF 3 YEARS", QUOTATION NO.: 13/26/27" and must be deposited in the Bid Box situated at the reception: Civic Centre, 2 Kingfisher Road, Mandeni not later than 12H00, Tuesday, the 25th of August 2026. Late and verbal quotations will under no circumstances be considered. The Mandeni Municipality does not bind itself to accepting the lowest, or any tender, either wholly or in part or give any reason for such action. Technical enquiries may be directed Miss Makhosazane Masinga and SCM queries be directed to Lungisani Nduli (lungisanin@mandeni.gov.za) on 032-456 8200.


MR SG KHUZWAYO
MUNICIPAL MANAGER

Date: 15/08/2026



MANDENI MUNICIPALITY

QUOTATION NO: _____

NAME OF BIDDER :

TELEPHONE NUMBER :

FAX NUMBER :

ADDRESS :

.....

.....

TOTAL PRICE : R.....

TOTAL PRICE BID PRICE
(VAT INCL) : R.....

Employer : Municipal Manager
Mandeni Municipality
2 Kingfisher Road
Mandeni

Tel : 032 453 8200

Fax : 032 456 2804

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE FOLLOWING PROJECT:			
BID NUMBER:		CLOSING DATE:	
CLOSING TIME:			
DESCRIPTION:			
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)			
Civic Centre			
2 Kingfisher Road			
Nandan			
4490			
BIDDER 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:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ No
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX] MUST BE SUBMITTED IN ORDER TO QUALIFY FOR BIDDING			

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			
CONTACT PERSON			
TELEPHONE NUMBER			
FACSIMILE NUMBER			
E-MAIL ADDRESS			

**PART B
TERMS AND CONDITIONS FOR BIDDING**

2.1 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.

2.2 COMPLIANCE

- 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 SUPPLIER

- | | |
|--|--|
| 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:

2000

2000

2000

2000

2000

2000

2000

2000

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
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 relationship 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, shareholder²):

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:

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

3.9.1 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.....
NO YES /

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?
NO YES /

3.13.1 If yes, furnish particulars.

.....

**3.13 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

Name of Signatory

Signature

Designation of the Deponent

Name of Bidder

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 are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state
(delete whichever is not applicable for this tender).

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

1.3 Points for this tender (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 or 90 points is allocated for price on the following basis:

80/20 or

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \text{ or}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration
 P_{min} = 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 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \quad \text{or} \quad P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

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 and attach the following for verification of points claimed:

• Women-owned	- ID Copies : Directors Co. Registration CSD Report
• Disable-owned	- Medical certificate
• Black-owned	- ID Copies : Directors Co. Registration CSD Report
• Locality	- Directors and Company: Affidavit Existing Lease Agreement Proof of Residence Letter
• Youth	- ID Copies : Directors Co. Registration CSD Report

	Number of points allocated (80/20 system) (To be completed by the organ of state)	
Enterprise Located within the Mandeni Municipality	5	
EME or QSE which is at least 100% owned by black people	4	
Enterprise 100% owned by Women	4	
Enterprise 100% owned by disabled person	4	
Enterprise 100% owned by Youth	3	

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.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

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. wilfully 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 of Restricted Suppliers as companies or persons 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 Accounting Officer/Authority of the Institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	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)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	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 IS 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 Bidders

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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 *per 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

- (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

MBD 9

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 consortium³ 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.

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.

to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

MBD 9

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:

(Name of Municipality / Municipal Entity)

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

MBD 9

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 consortium³ 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.

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.

MBD 9

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