SOUTH AFRICAN SOCIAL SECURITY AGENCY

TERMS OF REFERENCE

APPOINTMENT OF SERVICE PROVIDER FOR DISPOSAL (AUCTION) OF ASSETS FOR SASSA EASTERN CAPE REGION

TERMS OF REFERENCE FOR THE APPOINTMENT OF SERVICE PROVIDER FOR DISPOSAL (AUCTION) OF ASSETS FOR SASSA EASTERN CAPE REGION

ACRONYMS

ADC	:	Assets Disposal Committee
B-BBEE	:	Broad Based Black Economic Empowerment
CIPC	:	Companies and Intellectual Property Commission
CSD	:	Central Suppliers Database
EME	:	Emerging Micro Enterprise
FAR	:	Fixed Asset Register
GCC	:	General Conditions of Contract
EC	:	Eastern Cape
SBD	:	Standard Bidding Documents
SCC	:	Special Conditions of Contract
SAIA	:	South African Institute of Auctioneers
SANAS	:	South African National Accreditation System
SASSA	:	South African Social Security Agency
SARS	:	South African Revenue Services
SMME	:	Small Micro Medium Enterprise
VAT	:	Value Added Tax

1. Introduction

The South African Social Security Agency (SASSA) has been established in terms of the South African Social Security Agency Act, 2004(Act No. 9 of 2004). SASSA is a schedule 3A public entity in terms of the Public Finance Management Act 1999 (Act No. 1 of 1999), as amended), and is responsible for the management, administration and payment of social assistance.

2. Purpose

The South African Social Security Agency (SASSA) Eastern Cape (EC) Region hereby invites suitably qualified auctioneers registered with the South African Institute of Auctioneers (SAIA) and in possession of a valid Fidelity Guarantee Insurance for the public auctioning of assets for SASSA Eastern Cape Region.

3. Background

SASSA Eastern Cape Region has +/- 25 292 assets in its Fixed Asset Register (FAR). SASSA conducts Assets verification twice in a financial year, during the Asset verification process SASSA identify and earmark assets for disposal.

SASSA identified assets in the following asset category that need to be auctioned:

1. Furniture and Equipment
2. Machinery and Equipment
3. Transport Assets
4. ICT Equipment
5. Consumable Items

4. Objective

The objective of SASSA EC Region is to appoint an Auctioneer/s for the public auctioning of assets identified during the 2025/26 financial year

5. Scope of Work

The auctioneer will be responsible for the end-to-end management of the auction process, including but not limited to:

5:1 Must be able to arrange the viewing (physical and/or online) of assets prior to auction.

5.2 Must be able to auction assets within one (1) month of appointment.

5.3 Must be able to dispose and or destruct / dismantle all assets / consumables approved for disposal and not auctioned in terms of Environmental Conservation Act No 73 of 1989 and all policies related thereto.

5.4 A certificate confirming the Safe Disposal and destruction of assets / consumable confirming submitted to SASSA EC to confirm compliance with the Environmental Conservation Act No 73 of 1989.

6. Deliverables:

6.1 Pre-Auction Preparation:

- Valuation of items or assets to be auctioned
- Preparation of item descriptions, photographs, and documentation.
- Marketing and promotion of the auction through various channels.
- Setting auction terms and conditions in consultation with SASSA EC

6.2 Auction Platform and Logistics:

- Setup of physical or online auction platform.
- Provision of auctioneer services (physical or online).
- Bidder registration and management.
- Ensuring secure and transparent bidding process.

6.3 Auction Day Operations:

- Coordination and facilitation of auction event.
- Monitoring of bids and bidder activities.
- Real-time communication with stakeholders.

6.4 Post-Auction Activities:

- Preparation and submission of detailed auction report.
- Invoicing and collection of payments from successful bidders.
- Coordination of asset/item delivery or transfer of ownership.
- Handling of any disputes or returns (if applicable).
- Certificate of Safe Disposal of assets / consumables in terms of Environmental Conservation Act No 73 of 1989 and all policies related thereto

6.5 Roles and Responsibilities:

7.1. SASSA Responsibilities:

- Provide a complete list and physical access to the items/assets to be auctioned.
- Ensure the assets are legally owned and free from encumbrance (unless otherwise disclosed).
- Supply ownership documents, certifications, and any relevant permits or approvals.

- Review and approve auction terms, catalogs, and marketing materials.
- Facilitate inspection and valuation by the auctioneer or appointed experts.
- Coordinate with internal stakeholders to ensure smooth handover for auction purposes.
- Agree on and honor the commission fees and any other costs.
- Manage receipt of auction proceeds (less applicable deductions or commissions).
- Timely communication of decisions and approvals throughout the auction process.
- Nominate a single point of contact for coordination.

7.2. Auctioneer Responsibilities:

- Inspect and appraise assets or coordinate professional valuation.
- Create auction catalog with descriptions and photographs.
- Develop a marketing strategy and carry out advertising and promotions.
- Set up the online or physical auction platform.
- Ensure a secure and transparent bidding environment.
- Handle bidder registration and verification.
- Conduct the auction at the scheduled date and time.
- Facilitate real-time bidding and enforce auction rules and terms.
- Provide support to bidders and handle any technical or procedural issues.
- Notify successful bidders and issue invoices.
- Collect payments and deduct commission/fees as agreed.
- Coordinate the release or delivery of assets.
- Submit a detailed post-auction report to SASSA EC.
- Ensure all activities comply with applicable auction laws and regulations.
- Maintain transparency and audit trails for all transactions.
- Pay proceeds to SASSA via EFT within seventy two (72) hours after Auction.
- Dispose and or destruct / dismantle all assets / consumables approved for disposal not auctioned in terms of Environmental Conservation Act No 73 of 1989 and all policies related thereto
- Submit a certificate confirming the Safe Disposal to SASSA EC to confirm compliance with the Environmental Conservation Act No 73 of 1989 and all polices related thereto

7. Conditions of Appointment

8.1 The Agency reserves the right to appoint one (1) or more Auctioneer/s or not to appoint any Auctioneer at all.

8.2 Prospective Auctioneer/s shall have to treat all available data provided by the Agency in the process as strictly confidential. Such data remains the property of the Agency.

8.3 Bidders will be disqualified if found to have misrepresented information in their proposals.

8.4 Bidders must quote according to **Annexure A** (Pricing structure).

8.5 All prices must be quoted in South African Currency (ZAR) and must be VAT inclusive where applicable.

8.6 Under no circumstances will the Agency engage itself with parties associated with the Auctioneer/s, including auction bidders.

8.7 General Conditions of Contract (GCC) on government procurement of July 2010 will also apply in this quotation.

8. Special Conditions of Contract

Failure to meet the following special conditions will result in the disqualification of the bid.

9.1 The bidder must be registered with South African Institute of Auctioneers (SAIA).

9.2 Bidders must submit a quotation as per **Annexure A (pricing structure)**.

9. Bid Evaluation Criteria:

Bids will be evaluated in terms of the below-mentioned criteria:

11.1 Stage One:

Phase 1: Special Conditions

Phase 2: Administrative compliance

11.2 Stage Two:

Price and preference points system (80/20)

10. Stage One for Bid Evaluation

12.1 Phase 1: Special Conditions

Failure to meet the following special conditions will result in the disqualification of the bid.

12.1.1 The bidder must be registered with South African Institute of Auctioneers (SAIA).

NB: South African Social Security Agency reserves the right to verify authenticity of the certificates (South African Institute of Auctioneers (SAIA))

12.1.2 Bidders must use **Annexure A (pricing structure)** for quotes.

12.3 Phase 2 Administration Compliance

Administrative Compliance requirements
Tax compliant status (Tax Pin Letter/CSD MAAA)
Proof of Registration on the Central Supplier Database (CSD) with National Treasury (CSD Registration Report)
Certified copy of original Identity Document of each director as per (CIPC) (certified within 6 months). **NB:** (A copy of a certified copy will not be accepted).
Fully completed and signed Standard Bidding Document Forms (SBDs). • SBD 4 • SBD 6.1
Correspondence detailing the service provider that will be used to destruct and dispose of assets / consumables in terms of the Environmental Conservation Act No 73 of 1989 and all polices related thereto

Bidders who fail to comply with the above requirements may be disqualified.

12.4 Stage Two for Bid Evaluation

12.4.1 Phase 1 - Price and Preference Points System (80/20)

Bidders will be evaluated on Price and Preference Points System based on **Annexure A (pricing structure) and B-BBEE Status Level of Contribution**. Incomplete **Annexure A** will not be evaluated and will be disqualified as per the requirements of paragraph 12.1.4

Price and Preference Points	100
Price	80
BBBEE Status Level of Contribution (specific goal)	20

Points awarded for B-BBEE Status Level of Contribution (specific goal)

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:

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

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 allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
B-BBEE Status Level 1-2 contributor with at least 51% black women ownership		20	
B-BBEE Status Level 3-4 contributor with at least 51% women ownership		18	
B-BBEE Status Level 1-2 contributor with at least 51% black youth or disable ownership		16	
B-BBEE Status Level 1-2 contributor		14	
B-BBEE Status Level 3-8 contributor with at least 51% youth or disable ownership		12	
B-BBEE Status Level 3-4 contributor		8	
B-BBEE Status Level 5-8 contributor		4	
Others (non-compliant)		0	
Returnable documents to claim points		Please tick below for the attached document	
1	**B-BBEE Certificate**		
2	**Sworn Affidavit (EME or QSE)**		
3	**CSD registration number**		

NB: Bidders must submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Sworn Affidavit signed by Emerging Micro Enterprise (EME) representative and attested by the Commissioner of Oaths, or CIPC B-BBEE Certificate.

11. Pricing

11.1. Prices must be VAT inclusive only for the service providers that are registered as VAT Vendors with SARS. If you are not a registered VAT vendor, the prices should exclude the VAT amount.

11.2. Bidders must quote according to **Annexure A** (Pricing structure).

11.3. NB: An auction proceeds with the amount of R1 000 000 a lot, will be used for evaluation purposes **Annexure A** (Pricing structure).

12. Summary of Assets to be auctioned

LIST OF ITEMS TO BE AUCTIONED

Description of Goods / Services	Quantity	Type of Auction
Furniture and Office Equipment	956	Public Auction
Machinery and Equipment	99	Public Auction
	2	Online Auction
Transport Equipment	47	Online Auction
ICT Equipment	13	Public Auction
Consumable Items	+- 500	Public Auction

Please note that the above quantities is subject to change

13. Enquiries

All requirements regarding the Terms of Reference may be directed at the following:

14.1 Ms I Smith – Senior Manager: SCM
Tel: 043-707 6164 / 072 234 3471
E-Mail – ilses@sassa.gov.za

14.2 Ms N Ngcauzele - Manager: Asset Management
Tel: 043-707 6505
E-Mail –NwabisaN1@sassa.gov.za

ANNEXURE A – PRICING SCHEDULE

Item Description	**Commission Percentage**	**Cost**
% Auctioneer's commission charged (inclusive of all administrative charges) NB: An auction proceeds amount of * R 1 million a lot will be used for evaluation purposes	.....%	R.....
VAT		
TOTAL		

Service Providers must note that the increase/decrease of the capped amount of R 1 million is prohibited. Non-Compliance will lead to your bid proposal being considered non-responsive and not further evaluated.

NB: The total price as recorded will be used for evaluation purposes only.