



## KWAZULU-NATAL PROVINCE

TREASURY  
REPUBLIC OF SOUTH AFRICA

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**CFO - SCM**

### **BRIEFING SESSION MEETING MINUTES**

**BID 1230/2021-F: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO ASSIST THE KWAZULU-NATAL PROVINCIAL TREASURY TO PROVIDE SUPPORT TO DEPARTMENTS, PUBLIC ENTITIES, MUNICIPALITIES AND MUNICIPAL ENTITIES TO ENSURE IMPROVED SERVICE DELIVERY AND QUICKER TURNAROUND TIMES IN THE SUPPLY CHAN MANAGEMENT**

**HELD VIRTUALLY ON TUESDAY, 13 APRIL 2021 AT 10:00 am**

<b>Present:</b>	
Ms. L Naidoo	
Ms. Z. Zwane	
<b>In Attendance:</b>	
Ms. A. Zondo	
Ms. T. Makhathini	
Ms. N. Khuzwayo	
Ms. T. Selepe	
Ms. C. Ngcobo	
Prospective bidders	

ITEM	
<b>1</b>	<b>WELCOME:</b>  The meeting was declared open at 10H00. The Facilitator, Ms. A. Zondo welcomed all the bidders and thanked them for attending. The Bid is required by the Provincial Supply Chain Management Unit.
<b>2</b>	<b>ITEM FOR DISCUSSION:</b>  2.1 Completion of tender documents  2.2 Terms of Reference  2.3 Questions  2.4 Closure



**3. Presentations**

**3.1 Supply Chain Management Presentation**

Ms. Zondo presented how the tender document should be completed. She highlighted Sections that need to be completed in order for the bidder to be not disqualified, emphasizing that the bid was to be valid for 180 days. She thereafter went through the following sections:

- Cover page: Ms. Zondo went through the page emphasizing on the closing date, 19 April 2021 and time, 11H00 of the bid; drawing the attention of bidders to that the Department will not under any circumstances accept faxed or emailed bids. Bids were to be delivered or deposited in the bid box available in the ground floor of the address provided in SBD 1.
- Section B: Ms. Zondo emphasized that the bidders were not to make any alterations to the document, citing that an Erratum was published correcting an error that had been made in the document; however, bidders were not permitted to make any changes to the document and were to submit it as it was.  
Adding on, Ms. Zondo emphasized on the use of correcting fluid being prohibited throughout the document and any alterations being initialled by the bidder; emphasizing that signatures on the document had to be original and not copies.
- Section C: Registration on the Central Supplier Database (CSD) is imperative because the department does not conduct business with suppliers who are not registered on the database.
- Section E: Declaration of interest. A bidder must declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.
- Section F: Tax clearance certificate: the original **Tax Compliance Status Pin** must be submitted together with the bid. Failure to submit the original and valid tax compliance pin at the time of submission will result in the invalidation of the bid.
- Section G: A completed Briefing Certificate will not be signed as the briefing session is not compulsory due to Covid-19 restrictions. Ms. Zondo drew attention to a printing error that said the virtual briefing session was on 08 April 2021. The correct date is the 13 April 2021. 08



April 2021 was the deadline for submission of email address from bidders who were interested in attending the virtual briefing session.

- Section H: Ms. Zondo emphasized on the importance of properly completing the Authority to sign a bid. It was indicated that if a bidder is a company, a certified copy of the resolution by board of directors which is personally signed by the chairperson of the board authorizing the person who signs the bid to do so must be attached with this bid. Bidders were advised that the reason for this resolution is to ensure that the department can tie the signatory to the company and be in a position to claim from the company in the event of a law suit. It was further highlighted that the rest of the sub-sections of section H are to be completed accordingly in terms of the composition of entities.
- Section 3: Special conditions of contract: Ms. Zondo emphasized that bidders need to familiarize themselves with the conditions of the contract. Clause 3.19.3 was highlighted as being important for bidders who were going to submit as joint ventures, consortiums or trusts; bidders were requested to submit a consolidated B-BBEE Certificate based on the joint ventures', consortiums' or trusts' consolidated financial statements for which the B-BBEE Certificate was based on. Bidders must clearly indicate the B-BBEE level that they are claiming as well as the financial year which their revenue the B-BBEE level is based on.
- SBD 6.1: Preference points claim: Ms. Zondo emphasized that bidders complete this document in full in order to be eligible to claim their preference points.

**3.2**

Ms. Zondo handed over to Ms. Z. Zwane to elaborate on the Terms of Reference issued with the bid.

**Terms of Reference Presentation**

Ms. Z. Zwane proceeded to go through the terms of reference (TOR) and emphasized the following:

- Background: due to capacity constraints within the Provincial Supply Chain Management (SCM) Unit; a need arose to put in place a panel of SCM experts to assist client departments



who are facing various challenges such as lack of financial resources, lack of capacity and poor SCM processes to provide quality services at affordable prices.

- Objectives: Ms. Zwane listed the objectives of the Provincial SCM
- Scope of Work: Ms. Zwane emphasized that bidders will need to demonstrate on their bid document their capabilities to execute projects satisfactorily according to the under listed skills of focus
- In reference to Company Experience under the Evaluation Guide, submitted reference letters were to be for projects undertaken in the previous 5 years
- Experience in Supply Chain Management (SCM) support excluded:
  - ✓ Contract Management
  - ✓ Auditing
  - ✓ Financial Management
  - ✓ Representation of SCM in the legal fraternity – court cases and tribunal appeals
- A maximum of three (3) Curriculum Vitae (CVS) of partners or directors were to be submitted
- Bidders must ensure that the CVs they submit are not included in other bidder's proposals as this will result in all bidders being disqualified.
- Bidders which did not meet the minimum qualification criteria would not progress to the following stage of the evaluation process.
- The minimum functionality threshold for consideration for inclusion into the panel is 60%

**Questions and Answers**

**3.3**

- In connection to joint ventures, consortiums and trusts; a sworn affidavit is no longer acceptable?  

Yes, the mentioned forms of ownership require agreements as founding documents, registration as entities on the central supplier database (CSD). The annual financial statements of the forms of ownership on which the B-BBEE levels are rated are verified, from which the B-BBEE certificate is obtained. Sworn affidavits are therefore no longer acceptable.
- Is a certificate from the CIPC an acceptable B-BBEE certificate as it is not verified by SANAS?



Yes it is, as CIPC functions as an organ of state within the public administration.

- In the instance of a company having one director, how will it be evaluated as far as the averaging of scores of the key resources as stipulated in the evaluation criteria?  
A company with one director and no partners will not be disadvantaged or prejudiced against. The provision for a maximum of three (3) key resources was included to prevent an influx in terms of document preparation and evaluation.
- Reference is made to reference letters to be submitted with the bid; should a firm have been previously appointed by KZN Treasury on behalf of a respective department, does the firm have to provide a reference letter for that particular assignment or can it state in the cover letter that it executed said assignment for KZN Treasury or respective department?  
The provision of reference letters is a requirement of the bid; therefore reference letters from KZN Treasury or respective department have to be submitted. Bidders are therefore to request reference letters from KZN Treasury or the respective department.
- With the evaluation of key resources' experience, can a firm substitute its' partners or directors for senior employees?  
The bid requirements are specifically for partners or directors because resources change all the time as opposed to partners or directors.
- Is the previous SCM bid still active or was it cancelled; how will rotation on the panel work; when a firm is developing Standard Operating Procedures (SOPs) that are disseminated across the Province, does that constitute as an SCM Project and who manages resources on secondment assignments?
  - The current contract is due to expire on 05 June 2021.
  - The rotation on the panel is designed to give a fair opportunity to all participants. Projects with a value of more than R2 million Rand are circulated to all participants on the panel and those with a value of less than R2 million are circulated to the first 50% of participants on the panel who have not received any projects. Panel participants can also calculate from the available information who the first 50% of participants on the panel is. Should panel members not respond to project invites three times consecutively; correspondence



is forwarded to the respective non-responders in order for them to elaborate on their non-responsiveness.

- The development of SOPs is a contract between the service provider and the client department and they therefore belong to the latter. The client department may disseminate the SOPs to its stakeholders as deemed fit.
- Resources belong to the service provider; it is therefore the obligation of the service provider to manage its resources. The contract is between the service provider and the department.

- Is it admissible to use any format for a CV or should bidders stick to the one that has been used before by KZN Treasury?

The previously communicated CV formats were a guide for bidders; however, any format is admissible and should clearly indicate duration as well as experience in the CV.

- What are the minimum references a company should provide?

In reference to company experience, a bidder should provide a minimum of five (5) contactable references and for key resources; a bidder should provide a maximum of three (3) CVs. Should a bidder provide three (3) reference letters for completed projects under company experience, it will score a maximum of ten (10) points; between three (3) and five (5) projects, a company will score a maximum of fifteen (15) points and greater than five (5) projects, a maximum of twenty-five (25) points.

- Are bidders permitted to include rate fees and pricing in their proposals?

Reference is made to clause 3.30 (b); the Department will stipulate rates to be paid, they are therefore not necessary to be included.

- What does the word *personal* under Section 4, General Conditions of Contract (GCC), clause 4.2; Cession of contracts mean and is it not possible for the General Conditions to be amended as facilities such as *Spoornet* found under Clause 4.8 are no longer utilized in current era; is the numbering under clause 4.2 correct?

- A numbering error under clause 4.2 is acknowledged and it is advisable not to alter as it does not have any material effect to the bid secondly the change might be tantamount to alteration of the bid document. The word *personal* indicated that the contract is between



	<p>the department and the juristic person, which is the service provider. Consent by KZN Treasury is necessary prior to ceding the contract. Before the entity is admitted onto the panel, there are evaluations in terms of the bid that are conducted. Therefore, ceding the contract to a new entity may lead to the new entity failing the relevant evaluation criteria issued with the bid; thereby leading to the cession of contract not being accepted.</p> <ul style="list-style-type: none"><li>- The GCCs are a document belonging to National Treasury; KZN Treasury therefore, cannot amend these conditions. Should there be a requirement where KZN Treasury deems it necessary to change the terms and conditions of the contract; those conditions are included in the Special Conditions of Contract. The GCC are currently in the process of being amended and the identified changes in this document will be escalated to be addressed in the amendment.</li><li>• In the instance where the director of a company does not have the required experience but the senior managers under their employment have the required expertise; can the company still bid? If not what can be done? Is it possible for the directors or partners to be scored based on the company experience in order to gain access to the panel? This meeting was not to change the specification and the evaluation criteria as the relevant committee with the required expertise in the industry had approved the bid. Companies are juristic people who have directors to run them. The bid is looking for experienced personnel; bidders are therefore required to submit CVs of key personnel in line with the evaluation guide.</li><li>• If my company has experience in the field but it is older than the previous five (5) years, does it not qualify to bid? The TORs are standard and company/individual discretion cannot be accommodated at this point as only bid evaluators are in a position to determine who will qualify into the panel and who will not.</li></ul>
<p><b>4.</b></p>	<p><b>CLOSURE OF MEETING</b></p> <p>The Facilitator then thanked all attendees and the meeting was declared closed at 11H40.</p>