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Tel: 033 897 4440 Fax: 033 341 0986
Ref No. Bid 1260/2025-F

MINUTES OF THE COMPULSORY BRIEFING SESSION FOR BID: 1260/2025-F APPOINTMENT OF A SUITABLE SERVICE PROVIDER TO RENDER THE BANKING SERVICES FOR THE PROVINCIAL GOVERNMENT OF KWAZULU-NATAL FOR A PERIOD OF THIRTY-SIX MONTHS

DEPARTMENT OF TREASURY OFFICIALS PRESENT:

Ms. A. Zondo	Supply Chain Management	Chairperson
Mr. F.J Pretorius	Assets and Liabilities	Bid Technical Evaluation Committee: Chairperson
Ms. T. Makhathini	Supply Chain Management	Presenter
Mr. N. Buthelezi	Supply Chain Management	Secretariat
Ms. N. Maphumulo	Supply Chain Management	Secretariat
Ms. M. Mlambo	BTEC Representative	Bid Technical Evaluation Committee: Member
Ms. T Weston	BTEC Representative	Bid Technical Evaluation Committee: Member
Ms. J.L Pretorius	BTEC Representative	Bid Technical Evaluation Committee: Member
Service providers	Company Representatives	Attendance Register attached as Annexure A

Date: 26 May 2025
Time: 10:00 am
Venue: KZN Provincial Treasury, Treasury House, Boardroom 1,
145 Chief Albert Luthuli Street, Pietermaritzburg.

1. OPENING AND WELCOME

Ms. A Zondo opened the meeting and welcomed all present to the meeting. All attendees were given the opportunity to introduce themselves.

2. ATTENDANCE

The attendees were requested to sign the attendance register and it was noted that four service providers attended the briefing session. The service providers were given the compulsory briefing session certificates to complete and submit with their offers

3. DISCUSSION OUTLINE

It was noted that the following was to be discussed during the briefing session:

- Standard Bidding Documents
- Terms of Reference
- Q & A Session



NO.	ITEM
1.	Standard Bidding Documents
	<p>1.1 The Ms. Zondo handed over to Ms. T Makhathini to present the standard bidding document and the following was noted: The bid would be evaluated on the four following phases:</p> <ul style="list-style-type: none">a) Phase 1 – Supply Chain Administrative Compliance;b) Phase 1.2 - Mandatory Technical Requirement;c) Phase 1.3 - Functionality Criteria;d) Phase 2 – Presentations; ande) Phase 3 - 80/20 Preference Point System. <p>1.1.1 SBD 1- Part A: Invitation to bid: The importance of the closing date and time was highlighted. The service providers were advised to ensure that the information must be duly completed and for technical enquires, bidders must contact Mr. F.K Pretorius and for bidding procedure related enquires must be forwarded to contact Ms. T. Makhathini.</p> <p>1.1.2 SBD 1 – Part B: Terms and Conditions for bidding: Must be duly completed.</p> <p>1.1.3 Section A – Special Instruction and notices to bidders regarding the completion of bidding forms: Bidders were requested to familiarise themselves with the special instructions in the bid document and emphasised the following instruction.</p> <ul style="list-style-type: none">a) Under no circumstances whatsoever would the bid forms be retyped or redrafted. Photocopies of the original bid documentation would be used, but an original signature must appear on such photocopies.b) Bids submitted must be complete in all respects.c) No bid submitted by telefax, telegraphic or other electronic means would be considered.d) Any alteration made by the bidder must be initialled.e) Use of correcting fluid would be prohibited – bidders were advised that where mistakes are made; changes could be made however; changes must be initialled.f) Bids would be opened in public as soon as practicable after the closing time of bid.g) Where practical, prices would be made public at the time of opening bids.h) Bidder must initial each and every page of the bid document. <p>1.1.4 Section C - Declaration that information on the central supplier database is and up to date and complete: Service providers must be registered on CSD and ensure that the information outlined on CSD must be correct and updated as it appears on CIPC.</p> <p>1.1.5 Section D - Compulsory Briefing Session Certificate: It was emphasised that bidders attending the briefing session must submit with their offers the certificate that was signed and stamped by a representative of KZN Provincial Treasury. with their company's bid document. Failure to fully complete, sign and return the form would result in the offer considered as non-responsive and shall be rejected.</p> <p>1.1.6 Pricing Instructions and Pricing Submission: This automated pricing schedule was presented and explanation on how was to be completed was provided. The instructions were elaborated as follows;</p> <ul style="list-style-type: none">a) The Services Pricing schedule provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof.b) The automated Services Pricing Schedule must be completed, and any prices not included herein shall be deemed as zero.



- c) Any prices indicated in the Additional Cost Schedule, which should have been included in the calculations on the Services Pricing Schedule, will be regarded as zero. Should the "Amount/transaction per month" on the Services Pricing Schedule be indicated as zero for a portion of the service, then the portion will be deemed as zero. Additional Cost Schedules is for additional services that the Department may rarely need during the term of the contract.
- d) Bidders are required to complete the compulsory services pricing schedule SBD 3.1 as a response to this bid.
- e) Applicable taxes: All bid prices must be inclusive of all applicable taxes and all bid prices must be inclusive of fifteen-point five percent (15%) Value Added Tax.
- f) Failure to comply with this condition may invalidate the bid.

Further elaborations were made on the Pricing Submission - bidders were guarded on how to complete automated Pricing Schedule, demonstrations were projected also. Amid elaborations, the following was discussed;

- a) Bidders to use only the electronic supplied pricing schedule.
- b) Bidders must complete and submit the templates attached, which is/are Services Pricing Schedule.
- c) Bidders must reference BID main document.
- d) The Services Pricing Schedule templates are contained within the one (1) Excel Workbook
- e) Bidders must not make any changes to the spreadsheets or change the formatting of the Services Pricing Schedule.
- f) Cells are formatted to automatically indicate South African Rands, ordinary text fields and percentages (%) where applicable.
- g) Input cells FOR BIDDERS are highlighted in NEUTRAL. The Bidder must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.
- h) Input cells FOR THE TENDERING INSTITUTION are highlighted in GREEN. The Tendering Institution must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.
- i) Prices on Templet one is formulated to calculate Grand Total for Three (3) years inclusive of VAT and Tab 2 Templet two calculate a summary of subtotals for services required.
- j) The Grand Total for three years inclusive of VAT which has already been formulated to calculate Total estimated cost over 36 months period is to be transferred to Section E of the bid document.
- k) All Bidders' pricing must be quoted in South African Rands (ZAR).
- l) The Services Pricing Schedule template is designed such that VAT (15% VAT) will be calculated on Bidders' input pricing; therefore, Bidders must complete the templates with unit prices excluding VAT.

1.3.6.1 Ms Makhathini demonstrated on how the Automated Services Pricing Schedule would be used and practical examples were made. It was explained that on other items, the bidder would be expected to insert percentages and for other items the bidder would be expected to insert rand values. It was further explained that Annexure A – Additional Cost Schedule would be for the prices that the Department may require, and prices indicated must not form part of Grand Total appearing on the automated services pricing schedule. Bidders were advised to make copies of Annexure A if the space would not be sufficient.

1.1.7 **Section F – SBD 4, Bidders Disclosures:** It was emphasised that bidders must complete and declare truthfully. It was also emphasized that on paragraph 2.3, bidders must declare by indicating yes or no and furnish (if applicable) whether their directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract. It was added that where



the 2.3.1 space to furnish the enterprises, bidders can submit an additional page of enterprise of interest. It was further discussed that SBD 4 compliance was one of the main reasons for cancellation of Bid 1255/2024-F as some companies failed to declare truthfully. Ms Zondo added that the declaration of interests truthfully is premised on with the Company Act and Competition Act. Hence, the directors / trustees / shareholders / members / partners must declare any other related enterprise of interest. The verification of completeness of the information submitted shall be conducted through the Central Suppliers Database, CIPC or SARS. Failure to declare fully nullifies the offer submitted.

1.1.8 Section G - The National Industrial Participation Programme: Not applicable, hence, bidders do not have to complete this form.

1.1.9 Section H – SBD 6.1: Preference points claim form was issued in terms of the Preferential Procurement Regulations, 2022. The bid would be evaluated using the 90/10 or 80/20 preference point system, bidders would not be eliminated for not completing this form, however points for specific goals would not be allocated. It was also emphasised that bidders must fully complete the form by indicating the number of points claimed (using the equity ownership formula stipulated on page 29 of the bid document) and sign the form. Failure to submit the required evidence would be interpreted to mean that preference points for specific goals were not claimed.

1.1.10 Section I - Authority to Sign a Bid or Enterprise's Resolution Letter: It was noted that bidders must complete the Authority to Sign or submit their enterprise's resolution letter and failure to complete or submitting of the resolution letter shall nullify the offer.

1.1.11 Section J - General Conditions of Contract: Bidders were requested to read the conditions and familiarise themselves with the provisions contained therein.

1.1.12 Section K - Special Conditions of Contract: Bidders must ensure that they read through all the special conditions and the following special conditions of contract were highlighted

- a) Contract period- the contract period would be thirty –six months and contract would be effective from the 01 of October 2025.
- b) False Declaration - information submitted would be verified and any false declaration or misrepresentation would lead to disqualification.
- c) Award of bids - the Department intends to award one (1) service provider.
- d) Price - Bidders must complete the automated Services Pricing Schedule spreadsheet. Failure to comply shall lead to disqualification. Prices must be in South African currency, be inclusive of VAT, all applicable taxes and exclude any trade discount. The additional charges provided in a separate schedule attached as Annexure A and any prices not included therein shall be deemed as zero.
- e) Cancellation - KwaZulu-Natal Provincial Treasury reserve the right to cancel the bid and such cancellation would be published in the same media as the invitation to the bid.
- f) Central Suppliers Database (CSD) - Bidders must ensure the accuracy of the information on the CSD.
- g) Completeness of the Bid Document – bidders to ensure that the bid document was correctly completed in all respect and accompanied by all the relevant information required in the bid It was added that the bidders must reference the information submitted with the bid document, as outlined on pages 53 & 54. It was noted that the bidders must comply with the Mandatory Technical Requirements and Functionality Requirements and must submit their proposal with the evidence required for Mandatory Technical Requirements and Functionality Requirements. The information for Mandatory Technical Requirements must be referenced as Annexure B1 to B6 as per the applicable criterion. Information for Functionality Requirements must be referenced as Annexure C1 to C5 as per the applicable criterion.



Failure to reference the information submitted as per the instructions outlined in the bid document shall result in the offer considered non-responsive and shall be rejected.

- h) Validity Period and Extension thereof – the validity period for the bid was 180 days from the closing date of the tender.
- i) Communication with members of the Bid Committee – Bidder should not in any way communicate with a member of a Bid Committee or with any officer, agent, or representative of the Department on a question affecting any contract for the supply of goods or for any work, undertaking or service which was the subject of the bid during the period between the closing date for receipt of bids and the dispatch of the written notification of the decision on the award of the Contract provided that a bidder should not hereby be precluded. The award of the bid would be published on the same media as the invitation to bid.
- j) Presentation of Proposal – bidders that complied with Phase 1.1 to Phase 1.3 shall be required to make a presentation of their proposal based on the information that was submitted with the Bid and no new information must be presented.
- k) Bid Appeal Tribunal (BAT) – bidders were notified that if they not happy with the process conducted, they could lodge an appeal to the address indicated on the bid document with 5 working days. It was also indicated that the Department would publish the award on the Departmental website and send out notifications of non- award to disqualified bidders. If five (5) working days of receipt of the notification of award lapsed, no appeals would be considered after the award information has been published on the E-Tender portal.

1.1.13 CSI – Value of Commitments (Annexure C5) – The presenter referred the attendees to page 56 and communicated that the spreadsheet would be circulated with all attendees of the meeting. The bidders would be expected to use the spreadsheet for Social Responsibility Commitments within KwaZulu-Natal, bidders must insert their commitments in rand value for year 1, year 2 and year 3. The information populated on the Annexure C5 would be used to score points as stipulated under Functionality Criteria clause e, Social Responsibility Commitment. The presenter emphasised that failure to insert amounts for year 1, year 2 and year 3, the bidder would score no points.

1.2 Phase 1.2, Mandatory Technical Requirements the bidders must comply with all the mandatory technical requirement as outlined in the bid document. Phase 1.3, and that for functionality criteria, bidders must obtain a minimum passing score of 69 (70%) points to qualify for Phase 2 and failure to comply with the Supply Chain Administrative Compliance, Mandatory Technical Requirements and Functionality Criteria would result in the offer considered non-responsive and shall be rejected. It was also stated that bidders which qualified in Phase 2, would proceed to Phase 3, which was the 90/10 or 80/20 Preference Point System and the targeted group indicated was Historical Disadvantage Person (HDP) - Black Owned Enterprise and bidders must submit evidence to claim points for specific goals. In addition, the formula that to be applied was then explained.

1.3 Questions and Answers on Standard Bidding Documents:

- a) Would the spreadsheet format be shared?
 - Yes, *The Services Pricing Schedule spreadsheet together with the Value of Commitments spreadsheet would be shared with all attendees of the meeting.*
- b) What would be the required / considered percentage or shares of directorship that would need to declare?
 - *The Department would get the information from CIPC, SARS and CSD, therefore r Directors linked with the company must be declared.*
- c) Who need to declare, Director or Shareholders of the company?



	<ul style="list-style-type: none"> - <i>The Department would get the consolidated report on CIPC, SARS and CSD, which would indicate the ownership whether shareholders or Directors, as defined the Companies Act and registered as such on the CIPS must be declared if no declarations were made, that would be deemed as untruthful.</i> <p>d) In terms of Social Responsibility Commitments, are there any figures expected that goes along with the points you get, or it is entirely up to the bidders?</p> <ul style="list-style-type: none"> - <i>The Government of KwaZulu-Natal has a broad area to enhance the livelihood of its citizens, there were no set amounts that must be committed. The broad areas were outlined in the bid document and offers must indicate the commitments for r year 1, year 2 and year 3 in order to get points.</i> <p>e) Given the recent proposed VAT changes, there are uncertainty regarding VAT, if it changes how are we going to deal with that?</p> <ul style="list-style-type: none"> - <i>If the VAT changes it would become a legislative change and the Department as an organ of state has a fiduciary duty to comply with applicable legislation therefor changes would be made accordingly.</i> <p>The Chairperson thanked Ms Makhathini and handed over to Mr Pretorius to present the Terms of Reference (TORs).</p>
2.	<p>Terms of Reference</p> <p>Mr Pretorius indicated that the TORs had not changed significantly from as the previously cancelled banking services tender. Bidders must thoroughly read the TORs and ask questions for clarification. The following areas were highlighted:</p> <p>2.1.1 Contract Period - The contract period would be a period of 3 years from the date of signing contracts and the KwaZulu-Natal Provincial Treasury reserve the right to extend the contract for the period of 2 years. The Department wanted to start the new contract on 1 of October 2025, however, acknowledges that the process had delayed due to cancellation. Nonetheless, the Department would try and finalise the process as soon as possible.</p> <p>2.1.2 Scope of Service – The Department require a fully-fledged banking service with the minimum scope of services as follows;</p> <ul style="list-style-type: none"> a) Provide a Payment Conversion Programme for automatic upload to the Financial Institution as per National Treasury Instructions b) Provide overdraft facility c) Provide Cash in Transit Services d) Provide Travel Lodge Virtual Card Facilities <p>2.1.3 Minimum Requirements- the bidders were requested to demonstrate the requirements in their proposal and the following were mentioned;</p> <ul style="list-style-type: none"> a) Should be registered as a Financial Institution with a Banking license b) Should be a member of a Clearing House c) Provision should be made for the Financial Institution to programmatically upload payments over R 1 million as per National Treasury Instruction. d) Should meet the Minimum Operational Requirements e) Should provide an approved overdraft facility and guarantee for magnetic tape facilities <p>2.1.4 Minimum Operational Requirements - the bidders were requested to demonstrate the requirements in their proposal and the following were mentioned;</p> <ul style="list-style-type: none"> a) Ability to process all electronic files for the payment of suppliers as and when required, through the government financial system which is the Basic Accounting Service (BAS).,



- b) Comprehensive on-line cash management system that will accommodate cash balance consolidation.
- c) On-line real time notification of significant cash movement out of the main PMG Accounts
- d) Direct on-line stop payment facilities and the reversal thereof if necessary
- e) Direct on-line, real time account enquiries
- f) Supply bank statements in a prescribed format (including point of cash deposit) and supporting documents on a daily/ monthly basis (max of 3 days in arrears)
- g) Printing, supply and safekeeping of deposit slips and there must be an algorithm verification in it.
- h) Supply of Tally rolls for Merchant Devices
- i) Payment reference numbers may not be changed
- j) Favorable interest rates on credit balances
- k) The 13 PMG accounts and the Exchequer account balances should work as a group balance to enable payments / transfers out any of the 14 accounts in the group, provided the overall group account balance should be positive. (A payment can be processed even though individual department account balance is a negative)
- l) Cost effective Banking service - Comprehensive Service Fee Schedule (referring to the provided Services Pricing Schedule). Any additional charges should be provided in a separate schedule and any not included here will be deemed to be zero
- m) Development and supply of a compatible interface of all banking transactions with the financial system utilized by the Provincial Government. Provide all banking transactions electronically (Includes download / upload of files to National Treasury mainframe.)
- n) Upfront validations of magnetic tape transactions not permitted (Run as is)
- o) On-line, real time management browsing facilities
- p) Merchant Services - Point of sale Devices and Routers / modem – bidders must provide the best suitable for the Province of KZN.
- q) Cash in Transit - Collection of deposits on a daily basis as and when required
 - Supply of Cash Acceptance Devices as and when required – bidders were requested to make provision for more devices since the number of devices has increased from the previous TOR.
 - Provide cash for cash services over the counter / CIT services
- r) Provide Foreign Payment Services
- s) Direct sweeping facilities from account to account
- t) Online Travel Card statement enquiry
- u) Training should be supplied to officials on the cash management system that would be utilized to effect electronic transfers

2.1.5 Travel Card System

- a) Travel Lodge Card. (Plastic card)
- b) Virtual Travel Lodge Card – it was mentioned that the card would be rarely used by the Province.



- c) The card should make provision for payment of travel, accommodation and vehicle hire only and have a facility to block any other types of payments.
- d) Notification of transaction value over R 50 000 on Travel Card system to be reported to Provincial Treasury.

2.1.6 Cash In Transit

- a) Collection of deposits on a daily basis as and when required.
- b) Supply of Cash Acceptance Devices as and when required.

2.1.7 Contractual Arrangements

- a) Service Level Agreement – must incorporate all areas of service agreement that require agreement and signature of parties (only 1 agreement for signature of all products). It was emphasized that no other agreement will be accepted.
- b) Set-off Agreement - Off-setting of Debit Balances and Credit Balances on all bank accounts before interest must be calculated.
- c) Facility letter; ACB facilities & Overdraft facilities.

2.1.8 Social Commitments – It was emphasized that where the Social Responsibility Commitments spreadsheet would not be completed, the bidders would get 0 points on functionality criteria under Social Responsibility Commitment.

2.1.9 Mr. F Pretorius highlighted the Phases from Phase 1.1, 1.2 and 1.3 and it was presented outlining the criteria with the evidence required and scores that would be allocated as per evidence provided. It was emphasized that failure to comply would result in the offer considered non-responsive and would be rejected.

2.1.10 Phase 2, Presentations was discussed, indicating that presentation should be based on the information submitted with the bid since no new information would be accepted and further stated that only bidders that that complied with Phase 1.1, 1.2 and 1.3 would qualify to proceed to Phase 2 and failure to comply would result in the offer considered non-responsive and would be rejected.

2.1.11 General Questionnaire – it was stated that if the spaces provided are not enough, the bidders could add space on your own and ensure the questions are exalt as on questionnaires. It was asked bidders to not put “refer to page...” instead of answering the question. Bidders were advised to answer the questions.

2.2 Questions and Answers on Terms of Reference:

- a) Services Pricing Schedule: legislative fee do you require a rand value or percentage?
 - *A percentage.*
- b) Services Pricing Schedule: overdraft facility fee do you require a rand value or percentage?
 - *A percentage was preferred*
- c) Is there any specific utilization expected on Overdraft facility fee?
 - *No estimated amount, you must make an offer.*
- d) It would be difficult to make an offer, if the utilization would not be determined.



- e) The Province did not use an overdraft facility for the last couple of years and there was a suggestion that bands be inserted in the Pricing Schedule in a form of rand value or percentages as per the industry norms. In terms of the scoring, which one would be scored?
- Everything is important, for example; if a bridge wash away, the department would not have funds to do the bridge because we don't have the money and National Treasury would not have money. However, we would do provisions for it on adjustments to have that money available then and that would be a period where we would use an overdraft and if the bridge does not wash away, we not going to use the overdraft. Therefore, it is difficult to determine an amount, as the overdraft had not been used over the years, however, remains to enable the Province to deal with contingencies that might arise.
- f) With regards to Cash in Transit, please indicate the expected timeframes for the pick-up as this would affect the calculations for the locations?
- It was 5 days and pick-ups would be conducted throughout the Province of KwaZulu-Natal.
- g) For overdraft facility, does it cater for not utilized overdraft fees?
- The Government shall pay for the utilized overdraft facility only.
- h) Under General questionnaire, question 11.5; "Can all transaction/history be archived for 3 years?" Is it available for three years online or retention period for three years and does it include successful / declined / deleted transactions?
- Online access for three years. Yes, all transactions must be included.
- i) In terms of Foreign of Payments, is there a way to integrate that with National Treasury as incoming or outgoing?
- National Treasury do not make provision on the system to make a foreign payment, therefore that would not happen on our financial system. Currently this is done manually between Treasury and financial institution.
- j) On Travel Lodge Card Facility, what is the amount on the facility?
- We are using Travel facility through a travel agent and there are 13 Departments and t each has a card. Currently there are two service providers operating in the province, but this may change as Departments enter into contract with other service providers. The amount required was indicated on page 16, Services Pricing Schedule, which is R13 million per month.
- k) Foreign Trading is not on the Services Pricing Schedule?
- For the amounts that are not on the Services Pricing Schedule, you can charge us on the Additional Cost Schedule (Annexure A), failing which would be deemed as zero. The Department pay less than R10 million a year and it is usually made for service providers in dollar currency.
- l) Under General questionnaire, question 5; "Can the referencing appearing on the bank Statement be modified to accommodate certain requirements?" Please clarify
- If the bidder is given something with the reference number, the number must not change to accommodate your bank system. The bank system must assist in accommodating the Department's referencing style. It must be as it was given by the Department even after the payment has been made.
- m) Which Merchant devices would you prefer? Fixed or mobile devices? And how many sites it is expected?
- Both and it would be required throughout Province of KwaZulu-Natal including the Municipalities.
- n) In terms of accepting payments from Merchant, do you accept online as well other than devices?
- Mostly cash payments or POS devices payments, we do not encourage payments via internet payments.
- The Chairperson thanked Mr Pretorius for providing clarity on the TORs.



	<p>3. General Discussion</p> <ul style="list-style-type: none">- It was noted that on the Services Pricing Schedule, that all prices would be inclusive of VAT and the TORs were to be corrected accordingly. The importance of full disclosure on the SBD 4 form was emphasised.- All documentation and correspondence must come from the bidder not a third party.- The utilisation of correct referencing of information as outlined in the bid document was mandatory.
3.	<p>Meeting Closure:</p> <p>The Chairperson thanked all present for their attendance and participation throughout the meeting.</p> <p>The meeting adjourned at 11:30 am.</p>