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Tel: 033 897 4440 Fax: 033 341 0986  
Ref No. Bid 1259/2025-F

**MINUTES OF THE COMPULSORY BRIEFING SESSION MEETING HELD VIRTUALLY ON 26 FEBRUARY 2025 BID 1259/2025-F: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO ASSIST THE KWAZULU-NATAL PROVINCIAL TREASURY (MUNICIPAL FINANCE MANAGEMENT PROGRAMME) TO FULFIL ITS OBLIGATIONS IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (MFMA) BY PROVIDING SERVICES ON AN “AS AND WHEN REQUIRED” BASIS FOR A PERIOD OF THIRTY-SIX MONTHS.**

**PRESENT:**

Ms. T. Makhathini	Supply Chain Management Representative
Ms. A. Zondo	Supply Chain Management Representative
Mr. N Manyoni	Supply Chain Management - Secretariat
Ms. N. Khumalo	Supply Chain Management – Secretariat
Ms. S. Radyn	Bid Technical Evaluation Committee (BTEC) Representative
Ms. K. Marre	BTEC Representative
List of Service Providers	Appendix A

**1. OPENING AND WELCOME**

Ms. T. Makhathini opened the meeting and welcomed all present. It was noted that the briefing session was compulsory, and it was mandatory for service providers to complete the attendance register online.

It was noted that Bid 1252/20024-F was cancelled, and the Department had to restart the process.

The bid document was tabled, and the following was noted:

NO.	OVERVIEW OF THE BID DOCUMENT
1.	<b>PAGES 1-5 OF THE BID DOCUMENT</b>
	<p>It was noted that the aim of the bid was to invite prospective bidders to submit offers for the appointment of suitable service providers to provide municipal finance management services within the KwaZulu-Natal Province on an as and when required basis for a period of thirty-six months.</p> <p>The evaluation criteria consisted of two Phases:</p> <ul style="list-style-type: none"><li>a) Phase 1 – Supply Chain Administrative Compliance.</li><li>b) Phase 2 – Functionality Criteria.</li></ul> <p>1.1 It was noted that:</p> <ul style="list-style-type: none"><li>a) The closing date for the bid was 18 March 2025 at 11:00 am. Any bid received later than the stipulated date and time shall not be accepted.</li></ul>



	<p>b) The bid document must be deposited in the bid box located at the ground floor Treasury House, KZN Provincial Treasury, 145 Chief Albert Luthuli Street, Pietermaritzburg, 3200. Telegraphic, telephonic, telex, facsimile, e-mail, and late tender proposals shall not be accepted.</p> <p>The bidders were requested to familiarise themselves with the definitions of the bid document, to understand how the terminology used in the bid document was interpreted.</p>
2.	<p><b>STANDARD BIDDING DOCUMENTS – PAGES 6 TO 41</b></p> <p>The following was noted:</p> <p><b>SBD 1- Part A: <u>Invitation to bid</u>:</b> The Chairperson emphasised that the supplier information must be duly completed.</p> <p><b>SBD 1 – Part B: <u>Terms and Conditions for bidding</u>:</b> Bidders must read to understand the T&amp;Cs outlined and it must be signed by an authorized person.</p> <p>2.1 <b>Section A – <u>Special Instruction and notice to bidders regarding the completion of bidding forms</u>:</b> The Chairperson emphasised the following:</p> <ul style="list-style-type: none"><li>a) Under no circumstances whatsoever may the bid forms be retyped or redrafted</li><li>b) Any alteration made by the bidder must be initialled, and the use of correcting fluid was prohibited.</li><li>c) The Bidders must initial each page of the bid document.</li></ul> <p>2.2 <b>Section B - <u>Registration on the Central Suppliers Database (CSD)</u>:</b> Service providers must be registered on CSD.</p> <p>2.3 <b>Section C: <u>Declaration that information on CSD is correct and up to date</u>:</b> was for the declaration that the information on the CSD was correct and up to date.</p> <p>2.4 <b>Section D – <u>Official Briefing Session/Site Inspection Certificate</u>:</b> was not applicable to Bid 1259/2025-F only the attendance register would serve as proof that the service provider did attend the virtual meeting.</p> <p>2.5 <b>Section E- <u>SBD 3.1, Pricing Schedule (Firm Prices)</u>:</b> was not applicable to Bid 1259/2025-F.</p> <p>2.6 <b>Section F – <u>SBD 4, Bidders Disclosures</u>:</b> The Chairperson emphasised that bidders must complete and declare the information truthfully by indicating yes or no and furnish particulars where applicable. It was also emphasised 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. Furthermore, bidders were cautioned to indicate the name of the signatory on paragraph 3 and ensure that the SBD 4 was completed in full as directed in the form. Failure to declare with honesty and failure to complete fully nullifies the offer submitted.</p> <p>2.7 <b>Section G-<u>The National Industrial Participation Programme</u>:</b> was not applicable to Bid 1259/2025-F.</p> <p>2.8 <b>Section H – <u>SBD 6.1, Preference points claim form in terms of the preferential procurement regulations 2022</u>:</b> Shall be applicable on a project basis. The 80/20 preference point system shall be applicable in line with the provisions of PPPFA, 2022 when proposals/curriculum vitae (CV) are invited from the Panel, where 80 points are allocated for price and 20 points are allocated for specific goals:</p>



**a. Price – 80 points**

The Municipal Finance Management Programme will stipulate the rates to be paid per hour (inclusive of disbursements and VAT) per consultant, dependent on the level of experience and knowledge required for that assignment. Therefore, all companies shall be allocated 80 points.

**b. Specific Goals – 20 points**

The Department reserves the right to select the specific goals when offers (CVs) are invited.

2.9 **Section I - Authority to Sign a Bid:** It was emphasised that bidders must complete and sign the form as the required information. Section I must be completed by the signatory who had been authorised by the directors or members or as applicable in the firm and if the space provided is not enough, service providers were requested to list all directors in the resolution letter.

2.10 **Section J - General Conditions of Contract:** Bidders were requested to read the general conditions and familiarize themselves with the contents thereof.

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

- a) The successful bidders would be appointed for a period thirty–six months and Department reserves the right to terminate the contract should the awarded entity fail to fulfil its contractual obligation in terms of this contract.
- b) False Declaration or misrepresentation shall lead to disqualification.
- c) The Municipal Finance Management Programme will stipulate the rates to be paid per hour (inclusive of disbursements and VAT) per consultant. Invoices must indicate the order number or the invoice number and VAT number (where applicable)
- d) Payment will only be processed upon receipt, verification of invoices and confirmation by the appropriately authorized officials of actual services rendered.
- e) Bids are late if they are received at the address indicated in the tender documents after the closing date and time and late bids will not be considered.
- f) The validity (binding) period for the bid must be 180 Days from close of tender.
- g) The publication of an award will be advertised in the same media as the invitation to bid.
- h) Bid Appeal Tribunal (BAT) procedure lodge appeals was also highlighted.

**2.12 Questions and Answers on Standard Bidding Documents:**

- a) Rates depend on experience, are rates different for various areas, since the rates include travelling and disbursements?

*The rates are issued by DPSSA and they are standard depending on the level of the resource. Rates are not based on area.*

- b) On SBD 4, do you want us to indicate the names of the other enterprises or the CSD numbers?

*You can indicate CSD numbers or company name.*



3.	<b>TERMS OF REFERENCE- PAGE 42 TO 57</b>
	<p>Ms Radyn highlighted the following:</p> <p>3.1 Background -The Department seeks to appoint a panel of service providers to assist with the Municipal Finance Management mandate. The panel consists of various categories of municipal services, which are financial management, municipal interventions, taxation-related services, mSCOA and revenue and debt management.</p> <p>3.2 Objective- The objective of the Municipal Finance programme was to provide technical support to municipalities in the respective areas. In order to assist or support the municipalities with regards to financial viability, sustainability and provide training.</p> <p>3.3 Scope of work- Service providers were requested to indicate the category of service they are bidding for as outlined in the bidding document and to demonstrate the ability or capability to undertake the respective categories of municipal finance services for which service providers are bidding for.</p> <p>Service providers were requested to expressly state experience and demonstrate their capabilities for each of the respective categories that they will be bidding for.</p> <p>3.4 Deliverable- When a project needs to be undertaken, the Department will request proposals or curriculum vitae from the successful firms on the panel and the terms of reference will clearly outline the outputs for each of the individual projects relating to that specific category of service that the request was issued for.</p> <p>3.5 Expertise required- service providers and resources must have the following minimum expertise:</p> <ul style="list-style-type: none"><li>• Comprehensive knowledge and understanding of the relevant legislation applicable to municipalities for each of the categories of service;</li><li>• knowledge and understanding of National Treasury Guidelines and Circulars as well as Accounting Standards Board Guidelines relevant to municipalities;</li><li>• Knowledge and expertise in the application of Generally Recognised Accounting Practices (GRAP);</li><li>• Knowledge and experience in the workings of the various financial systems used by municipalities including the processing and extracting of information. For instance, pulling out reports or journal;</li><li>• Knowledge and understanding of the Municipal Standard Chart of Accounts (mSCOA) as well as the respective regulations and circulars applicable;</li><li>• Knowledge, expertise and practical experience in contributing to improved sustainability and financial viability through the completion of projects with particular reference to the scope of work identified in Clause 3 above;</li><li>• Ability to transfer skills to provincial and municipal officials; and</li></ul>



- A clear understanding of the dynamics of the KwaZulu-Natal municipalities in terms of inter alia, locations and the political landscape

3.6 Project Co-Ordination and Administration- The service providers may be required to conduct project co-ordination on behalf of the Municipal Finance officials, and these may include inter alia:

- Arrange meetings with clients to brief them on the project scope, deliverables timelines, and other technical requirements relating to the project;
- Introduce the teams deployed to the clients;
- Manage client expectations and ensure that these are in line with the Terms of Reference;
- Manage communication to all clients within accepted communication protocols;
- Produce weekly and/or monthly progress reports, weekly time sheets, close-out report and presentations.

3.7 Conditions - The Municipal Finance Management Programme would like to ensure an equitable distribution of work amongst all professional service providers appointed to the panel.

- Successful bidders will be appointed to the panel for a period of thirty-six months.
- The service providers will be required to sign a CPA. The approved list of service providers must have the capacity, functional skills, knowledge and experience, to provide the services required at a level acceptable to KZN Provincial Treasury.
- As and when assignments are agreed upon, service providers on this panel will be issued with request for proposals/CVs. Assignments will be allocated by the Municipal Finance Management Programme, based on their assessed suitability as required by the Terms of Reference for each project.
- Engagement letters will be signed between the service provider and the KZN Provincial Treasury for each assignment awarded.
- Bidders will be required to submit a declaration signed by each resource submitted confirming their availability on a project by project basis.
- The Municipal Finance Management Programme will stipulate the rates to be paid per hour (inclusive of disbursements and VAT) per consultant, dependent on the level of experience and knowledge required for that assignment. The engagement letter relating to the particular assignment will stipulate such rates and/or a total budget and will need to be accepted and signed prior to commencement of each assignment.
- The successful bidders will report to the Chief Director: Municipal Finance Management (or his delegate) on assignments in accordance with the terms and conditions documented in the CPA and engagement letters.
- Projects may be initiated by means of engagement letters and verbal briefings may be provided where it is considered appropriate and necessary.



- The selected service providers will be required to complete the deliverables as agreed in the signed engagement letters and relevant terms of reference as well as within the budgets agreed upon for each assignment.
- Service providers shall treat all available data, methodologies and templates provided by the Municipal Finance Management Programme as strictly confidential and shall not be used for any form of distribution or use other than on the project in respect of which the information was made available. The information of the project remains the property of the KZN Provincial Treasury.

3.8 Evaluation Guide- Service providers were requested to clearly indicate the category of service they are bidding for.

The selection of the service providers to be placed on the panel will be subject to the criteria set out in the evaluation criteria. namely:

a. Prior company experience

The following must be submitted:

- The bidder must submit one (1) traceable reference letter from previous/current clients indicating performance of the bidder in the relevant municipal finance category of service.
- It is compulsory for bidders to substantiate the veracity of the information submitted in the reference letter by the client completing and stamping Annexure A issued with the bid. The scores as per the rating from the client will be allocated for each reference letter.
- Failure to submit a duly completed Annexure A, will result in zero points allocated for the reference provided.
- Only municipal finance experience will be considered.
- Where the service provider has undertaken similar projects under this program for Treasury, references are to be obtained from municipalities where the work was undertaken and not from the Treasury itself.
- Reference letter must not be older five years, so it must be work that was undertaken in the preceding five years.

b. Resources -The experience and qualification of the firm's resources (specialists):

- Firms must submit Curriculum Vitae (CVs) of ONLY three (3) resources/specialists per category of service, who are actively employed by the firm, that demonstrate their extensive experience in Municipal Finance as per the five categories of services mentioned above in paragraph 3.1. Scores will be allocated for relevant qualifications and experience.
- The firm must provide the following for each resource/specialist:
  - The comprehensive curriculum vitae (in the format provided in Annexure B) indicating the key municipal finance experience relating to the category of services.

	<ul style="list-style-type: none"> <li>- Certified copies of qualifications.</li> <li>- Duration of service per assignment (total number of weeks worked as well as start and end date).</li> <li>- Contactable references.</li> </ul> <ul style="list-style-type: none"> <li>• CVs that are not submitted in the prescribed format in Annexure B shall be deemed to be non-responsive and rejected.</li> </ul> <p>3.9 Phase 1 – Supply Chain Administrative Compliance: The chairperson highlighted that the compulsory bid forms must be duly completed, stamped and signed (as required) and submitted with the bid. Failure to comply with the Supply Chain Administrative Compliance shall result in the offer considered as non-responsive and shall be rejected.</p> <p>3.10 Phase 2- Functionality Criteria: the minimum threshold for functionality was 65% and the evaluation would be based on the following criteria:</p> <ol style="list-style-type: none"> <li>a. Company experience- The bidders must submit 1 traceable reference as indicated on the Terms of reference from previous or current clients, indicating the performance of the bidder in the municipal finance category of service. It is compulsory for bidders to substantiate the veracity of information submitted in the reference letter by the client completing and stamping Annexure A of the bid. The scores as per the rating from the client will be allocated per reference letter. Failure to submit a duly completed Annexure A will result in 0 points being allocated for that reference provided. The reference letter will be scored in terms of the scoring provided by the client/municipality out of 10 points. Therefore, if the bidder scored full points for a reference letter, it will be 10 points multiplied by 2 to reach to the weighting of 20.</li> <li>b. Key personnel – The bidders must list 3 resources per the category of service on the functionality criteria matrix. Points are allocated for specific qualifications deemed relevant for the specific category of service. The scoring is weighted 80 in total. The individual's qualification is weighted at 40 points and the individual's experience is weighted at another 40 points. The key personnel information must be submitted in the format as required in Annexure B. The CVs must demonstrate the experience relevant to that specific category of service, clearly indicating the start and end date and the duration in the number of weeks and include contactable references. The firm must provide the following under mentioned for each resource: <ul style="list-style-type: none"> <li>• The comprehensive curriculum vitae indicating the key performances.</li> <li>• Certified copies of qualifications.</li> <li>• Duration of service per assignment (total number of weeks worked as well as start and end date).</li> <li>• Contactable references.</li> </ul> </li> </ol>
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- CVs that are not submitted in the prescribed format in Annexure B shall be deemed to be non-responsive and rejected.

3.11 Annexure A: Reference Letter - relates to company experience and the service providers were requested to complete the name of the bidding company, description and scope of the project completed at the municipality, value of work completed, duration of the project, start date and end date, category of service, referee name, the name of the person completing the form, their designation together with the contact number and email address. The municipality that is completing the form must score the bidder on 10 different criteria. The score of 1 is applicable where you have met the criteria and the score 0 is applicable the criteria was not adequately addressed. The municipality must stamp Annexure A. The reference letter (Annexure A) must be provided for each category of service.

3.12 Annexure B: Curriculum Vitae Format- The service providers were requested to indicate the name of the service provider; the resource's details in terms of the surname, name, ID number, gender, health, driver's address and contact details; qualifications must also include the institution, year it was completed, the NQF level and student registration number; experience of the resources. The scores will be allocated for where resources has completed articles training number and SAICA discharge date must be provided, computer experience must be outlined, indicate the employer where the resources has been employed, position held and employment period, indicate the municipality at which that assignment was conducted, their role on that assignment and duration in terms of the number of weeks worked on that assignment relevant to the category of service, start and end date.

The service providers were requested to ensure that the company and individual experience responds to the relevant category of service. For instance, if the bidder is submitting the same CV for more than one category of services, then they must ensure that it is accordingly adjusted to respond to each category of service.

The service providers were also requested to complete this template in its entirety and provide as much detail as possible.

3.13 Appendix 1: Declaration From- The declaration is required from the proposed resource confirming that the information in the CV is true, that they have permitted the bidder to submit their CV for this bid, that they are currently employed or not employed by the state and that the projects they are currently on so that the Department can determine their availability.

Furthermore, the following clauses were noted:

- It is imperative that the curriculum vitae (CV) of the individual resource is not included in other company's proposal. Should a duplication of CV be identified per category, such CV will be

disregarded for that category of service during evaluation. By signing the Declaration Form, the resource is granting permission to the company to use his/her CV.

- The Department reserves the right to contact the company and/or resources to confirm the information set out herein, furthermore the Department reserves the right to eliminate during the evaluation process CVs of candidates who are engaged on projects that would overlap with the projects required.

### 3.14 Questions and Answers on Terms of Reference:

- a. On the previous bid, it was a challenge to get municipalities to sign the reference letter Annexure A because some of our assignments were three and four years ago, and people have changed at the municipality. The ones that we have are dated September 2024, can we still use the same ones, or do we go back to the municipalities and get them to sign?

*I think they will be acceptable and we're saying they should be within the last five years. We didn't change the scoring, it's the weighting that we have changed. So, it's still a total out of 10 and it's the same questions.*

- b. Did you say the rates are based on DPSA? And the is there a maximum for the disbursements that can be charged on an invoice, because sometimes you guys say disbursements can't be more than 10% of fees charged. So, doesn't that matter in this instance?

*The rates are based on the DPSA rates, and it is a standard rate, the rates are different for senior resource, intermediate resource, or junior resource. The rate is inclusive of VAT and disbursement, so there's no cap on disbursements as it is already included in that rate. So, the company will be required to make the arrangements for the resources, travel, and accommodation arrangements and they will not be required to submit a separate bill for disbursements, as it's already included in the rate.*

- c. The last rates to be published on the DPSA website, according to my knowledge were in July 2020. I'm not sure if those are the rates that will have to be used. Secondly, on the rates there's an option of using the short term and long-term contract, how is it classified on KZNPT?

*The rates were last issued in 2020. Unfortunately, the rates will not be increased due to the current economic situation of the country. We as government are implementing strict cost containment measures, so the rates will unfortunately not be increased.*

- d. I understand that it's a maximum of three resources and the maximum points that can be obtained per resource is 10 points. So, if you take the 3 multiplied by the 10, it gives you 30. How do we get to the weighting of 40?

*There is a formula, so you will have three resources with a maximum of 20 points because it's a maximum of 10 points for qualifications and 10 points for experience. So, if all of them score full points, it will be 60 because it will be 20 times 3 resources. So, whatever the score is will be divided by 60 and multiplied by 80 to get the total weighting score out of 80.*

*Similar with the reference, it should be multiplied by two to get your weighting out of 20.*

- e. A service provider might have to bid for one of the categories of services or service providers can get into a joint venture when bidding for more than one category of service? Secondly, on the reference letter if Company A was subcontracted by the Company C who had a contract with the municipality, will the reference letter from Company C be considered when Company A is bidding?

*On page 38, clause 27 of the Special Conditions states that "Any Bid by a Joint Venture (JV)/ Consortium must be accompanied by a copy of a duly signed Joint Venture Agreement. Such agreement must specify the portion of the bid to be undertaken by each participating entity.*

- *Parties to the JV/Consortium must all sign the JV Agreement, and the minutes of the meeting must be submitted with the bid at the closing date.*
- *Should the parties enter into a JV, the JV Agreement should reflect a lead partner and the following nominations:*
  - (i) *Bank account to be used for the purpose of this Bid or Contract.*
  - (ii) *Authorized representative and signatory.*
  - (iii) *Authorized letterhead, address, etc."*

*Yes, bidders can either bid for one of the categories of service or more than one or all of them. But bidders must please clearly indicate which category of service they are bidding for, even if the bidder is bidding for all, and clearly indicate the proposed resources for each of those categories and reference letters.*

*The department will consider the reference letter with a subcontracting agreement as a proof that there was an agreement in place at the time that the resource completed the project, which is not under the bidder's name.*

- f. First question is on CVs, can I use the same CVs for all 5 categories, and 1 reference letter can be used in more than one category. For instance, you were involved in the development of a financial recovery plan for National Treasury, there was a lot of work that was done, which includes reviewing AFS, mSCOA projects, etc., but it is supported by the appointment letter.



*Yes, service providers can use the same CVs for different categories of service but ensure that the experience that's included in the CV relates to that specific category of service. Similarly, with the reference letters, bidders can use the same reference letters for the different categories. However, the project description in the reference letter needs to indicate what the deliverables were, or what the scope of work was relevant for that category of service.*

- g. I don't think it is fair that we have to send the reference letter to the municipality because we were not appointed by the municipality, but we were appointed by the Provincial Treasury and seconded to the municipality, the Provincial Treasury would need to sign the reference letter. If you allow us to go to the municipality, I can foresee a challenge because we have already sent some to the municipalities, they have not responded, and I doubt they will respond for this on behalf of the Treasury. The appointment letter, the order and everything related to the contract were issued by Provincial Treasury, so you have to complete the required information.

*Unfortunately, it's been issued with this condition, and we don't have any authority to change the terms of reference now.*

*The department can only assist if you are having challenges with the municipality to provide the reference. Please provide us with that proof and we can try and facilitate the process with the municipality and encourage them to complete the letter for you. Obviously, we cannot guarantee that, but unfortunately, we cannot provide the reference as we will be evaluating the bids.*

- h. I just want to check with regards to the reference letters, some of the municipalities are allocated quite far away and we've achieved those reference letters via e-mail communication. Is it possible or acceptable if we attach the original e-mail to the scan copy that we received back?

*Yes, you can, it will be acceptable.*

- i. What if you already have a reference letter from the municipality? Outlining what you've done and how you assisted them, does it have to be in the form of Annexure A? I'm just asking because the reference letters would be in the letterhead of the municipality signed by either the MM or the CFO. So, are you saying that it will not be sufficient to prove that it was actually from the municipality?

*On page 46 of the bidding document, states "It is compulsory for bidders to substantiate the veracity of the information submitted in the reference letter by the client completing and stamping Annexure A issued with the bid. The score as per the rating from the client will be allocated for the reference letter. Failure to submit a duly completed Annexure A, will result in zero points allocated for the reference provided."*

*It is the condition of which we can't change it now.*



	<p>The following information would be shared to all the attendees:</p> <ol style="list-style-type: none"><li>1. The bidding document with the amended page 47, 10.3 (b) the error in the formula of the weighting for company experience.</li><li>2. Annexure A: Reference Letter; Annexure B: Curriculum Vitae Format and Appendix 1: Declaration Form in a word format.</li><li>3. The compulsory briefing register for Bid 1259 Municipal Finance to confirm if enterprises did complete the attendance register.</li></ol>
4.	<p><b>Meeting Closure:</b></p> <p>The Chairperson emphasised the completion of the register.</p> <p>The Chairperson then thanked all present and the meeting was adjourned at 11:45 am.</p>