



P.O Box 3613, Pietermaritzburg, 3200  
 Treasury House, 145 Chief Albert Luthuli Street, Pietermaritzburg  
 Tel: 033 897 4440 Fax: 033 341 0986  
 Ref No. Bid 1252/2024-F

**MINUTES OF THE COMPULSORY BRIEFING SESSION MEETING HELD VIRTUALLY ON 10 SEPTEMBER 2024 BID 1252/2024-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. M Makhunga	Supply Chain Management – Secretariat
Mr. N Manyoni	Supply Chain Management - Secretariat
Ms. N. Khumalo	Supply Chain Management – Secretariat
Mr. M. Mzobe	Supply Chain Management - Secretariat
Ms. S. Balgobind	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.

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

<b>NO.</b>	<b>OVERVIEW OF THE BID DOCUMENT</b>
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 25 September 2024 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 Chairperson emphasised the importance of ensuring that all the required information must be contained in the bid submitted as bidders shall not be permitted to submit additional information that substantiate the offer post the closing date and time of the bid.</p> <p>Service providers were urged to use the table of contents as a checklist to ensure that the information supplied with the offer was complete. Furthermore, it was emphasized that the bid document was 59 pages long excluding Annexure A, Annexure B and Appendix 1, and service providers were encouraged to ensure that their bid documents included all the pages.</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.	<b>STANDARD BIDDING DOCUMENTS – PAGES 6 TO 41</b>
	<p>The following was noted:</p> <p><b>SBD 1- Part A:</b> <u>Invitation to bid</u>: The Chairperson emphasised that the supplier information must be duly completed.</p> <p><b>SBD 1 – Part B:</b> <u>Terms and Conditions for bidding</u>: Bidders must read to understand the T&amp;Cs outlined and it must be signed by an authorized person. Electronic signatures would be accepted.</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) Bids shall be lodged at the address indicated in the bid document not later than the closing date and time specified and in accordance with the directives in the bid documents, no bid sent through the post office will be collected and no bid submitted by telefax, telegraphic or other electronic means will be considered.</li><li>c) Any alteration made by the bidder must be initialled, and the use of correcting fluid was prohibited.</li><li>d) 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>Compulsory Briefing Session</u></b>: was not to apply to Bid 1252/2024-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 1252/2024-F.</p>



2.6 **Section F – SBD 4, Bidders Disclosures**: The Chairperson emphasised that bidders must complete and declare the information truthfully. It was also emphasised that on paragraph 2.3, bidders must declare by indicated 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 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 for was completed in fully as directed in the form. Failure to declare with honesty and failure to complete fully nullifies the offer submitted.

2.7 **Section G-The National Industrial Participation Programme**: was not applicable to Bid 1253/2024-F.

2.8 **Section H – SBD 6.1, Preference points claim form in terms of the preferential procurement regulations 2022**: 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:

**a. Price**

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**

- The Department reserves the right to select the following specific goals when offers (CVs) are invited:
  - Historical Disadvantage Person (HDP) - Black Owned Enterprise, Women Owned Enterprises and Enterprises Owned by People with Disability
  - Reconstruction and Development Programme (RDP)- Enterprise within KZN and Youth Owned Enterprises
- The bid will be issued with full points for specific goals.
- Should a service provider meet any of the categories they will receive full points subject to the submission of the evidence required.
- It will be compulsory for bidders to substantiate that they meet the above specific goal/s and will be required to submit evidence, which will be indicated on request for CVs.
- It will also be mandatory for service providers to complete SBD 6.1 to claim points for specific goals, failure to complete SBD 6.1 shall be interpreted to mean that the points for specific goals are not claimed.

2.9 **Section I - Authority to Sign a Bid**: It was emphasised that bidders must complete and sign the form as the required information was in line with the provisions of the Company's Act. Section I must be completed by the signatory who had been authorised by the directors or members or as applicable in the firm.

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



	<p>2.11 <b>Section K - Special Conditions of Contract:</b> Bidders must ensure that they read through all the special conditions and the following were highlighted:</p> <ul style="list-style-type: none"><li>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.</li><li>b) False Declaration or misrepresentation shall lead to disqualification.</li><li>c) The Municipal Finance Management Programme will stipulate the rates to be paid per hour (inclusive of disbursements and VAT) per consultant.</li><li>d) Services shall be rendered only upon receipt of a written official order from the Department as per the contract.</li><li>e) Payment will only be processed upon receipt, verification of invoices and confirmation by the appropriately authorized officials of actual services rendered.</li><li>f) Bids are late if they are received at the address indicated in the tender documents after the closing date and time and late bid should be not considered.</li><li>g) The validity (binding) period for the bid must be 180 Days from close of tender be considered.</li><li>h) The publication of an award will be advertised in the same media as the invitation to bid.</li><li>i) Bid Appeal Tribunal (BAT) procedure lodge appeals was also highlighted.</li></ul> <p>2.12 <b>Questions and Answers on Standard Bidding Documents:</b></p> <ul style="list-style-type: none"><li>a) No alteration to the documents, does that mean that we need to complete the document in ink, or can we complete it by typing in the information and the sign in ink? <i>It is a bidding condition that under no circumstances whatsoever may the bid forms be retyped or redrafted.</i></li></ul>
3.	<b>TERMS OF REFERENCE- PAGE 46 TO 63</b>
	<p>3.1 The BTEC Representative highlighted the following:</p> <p>3.2 Background -The Department seeks to appoint a panel of services providers to assist with our mandate. The panel seek to appoint consists of various categories of municipal services which is financial management, municipal interventions, taxation related services, mSCOA and revenue and debts management.</p> <p>3.3 Objective- The objective of the municipal 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>3.4 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</p>



undertake the respective categories of municipal finance services for which service providers are bidding for.

3.5 Deliverable- When a project needs to be undertaken, the Department will request proposals or curriculum from the successful firms on the panel and the resources will be appointed.

3.6 Expertise required- service providers and resources must have the following minimum expertise:

- Comprehensive knowledge and understanding of the relevant legislation applicable to municipalities for each of the categories of service
- knowledge and understanding of National Treasury Guidelines and Circulars as well as Accounting Standards Board Guidelines relevant to municipalities;
- Knowledge and expertise in the application of Generally Recognised Accounting Practices (GRAP);
- 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;
- Knowledge and understanding of the Municipal Standard Chart of Accounts (mSCOA) as well as the respective regulations and circulars applicable;
- 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;
- Ability to transfer skills to provincial and municipal officials; and
- A clear understanding of the dynamics of the KwaZulu-Natal municipalities in terms of inter alia, locations and the political landscape

3.7 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.

3.8 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.

No payment shall be made should the Municipal Finance Management Programme or the relevant client not be satisfied with the standard/performance of deliverables. The project manager would review the work provided per deliverables required in the terms of reference if the work done is not satisfactory to the client the service provider would be required to remedy.

3.9 Evaluation Guide- Proposals may be submitted for any or all of the categories of service listed in the Scope of Work (in Clause 3 of the Terms of Reference).



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

a. prior company experience

The following must be submitted:

- The bidder must submit four (4) traceable reference letters 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. Experience with the Auditor General of South Africa must be limited to the MFMA audits. PFMA experience will not be considered as an example.
- 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. For instance, if you've had a financial management support project that you completed through the Municipal Finance Management Programme at Provincial Treasury, you would have to get the reference completed by the municipality to which you were deployed.
- The reference letters submitted must relate to projects undertaken by the firm in the preceding five years that was July 2019 and thereafter. Reference letters for projects undertaken longer than five years ago will not be considered and should not be included in the bid proposal.

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. No more than three would be allowed if there are more than three CVs, the Department would select the first 3 that are listed in the bid proposal submitted.
- 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.
- Certified copies of qualifications, except for taxation related services, the Department must be to confirm that the resources majored on financial accounting if that is not clear an academic record can be provided.
- Duration of service per assignment (total number of weeks worked as well as start and end date).
- Contactable references.
- CVs that are not submitted in the prescribed format in Annexure B shall be deemed to be non-responsive and rejected.

The CV submitted by more than one firm, then that CV will be disregarded. Resources not actively employed by the bidding company is not allowed to propose that resource.

There are some resources that have been excluded from the municipal finance management programme based on performance previous to this panel, these resources must not be included.

The CV template requires that both the employment period per the employer as well as the number of weeks worked on a specific assignment or project must be indicated. Service providers were also requested to indicate the total duration of employment within an employer on the CV as well as individual assignment that are relevant to the category of service with the duration in weeks for those specific assignments.

There's one exception to the financial accounting two exceptions to the financial accounting requirements in terms of experience, with regards to municipal interventions, MBA will be considered as a qualification and taxation related services, financial accounting plus taxation related qualification.

3.10 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.

3.11 Phase 3- Functionality Criteria: the minimum threshold for functionality was 36 points (65%) and the evaluation would be based on the following criteria:

- a. Company experience- The bidders must submit 4 traceable references as indicated on the Terms of reference from previous or current clients, indicating the performance of the bidder in the financial management 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 an extra with the





bid. The scores as per the rating from the client will be allocated per reference letter so whatever the score is on that reference letter. Failure to submit a duly completed Annexure A will result in 0 points being allocated for that reference provided.

b. Key personnel – The bidders must list 3 resources per the category of service on functionality criteria matrix. Points are allocated for specific qualifications deemed fit for the specific category of service. The firm must provide the following under mentioned personnel:

- The comprehensive curriculum vitae indicating the key performances.
- Certified copies of qualifications.
- Duration of service per assignment (total number of weeks worked as well as start and end date).
- Contactable references.
- CVs that are not submitted in the prescribed format in Annexure B shall be deemed to be non-responsive and rejected.

The Department would consider experience at municipalities the actual implementation guided by National Treasury. The Chart provided by National Treasury and the circulars that have been issued.

3.12 Annexure A: Reference Letter One to Four- 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 your firm 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. If the criteria 4 and 5 (risk management and flexibility) was not applicable, the municipality must indicate that it's not applicable and the Department will allocate a score of 1 for those questions. The 10 questions relate to a transfer of skills, time management, project management, risk management, flexibility, progress updates, reporting, financial management, technical expertise of the resources and the overall satisfaction of the municipality. For instance, if the municipality was very happy with the support provided and scored 1 for each question, the full 10 points will be allocated during the evaluation of the bid. The municipality must stamp Annexure A. The 4 reference letters (Annexure A) must be provided for each category of service.

3.13 Annexure B: Curriculum Vitae Format- The service providers were requested to indicate the name of the service provider; the resource details in terms of the surname, name, ID number, gender, health, driver's address and contact details; qualification 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 for example started on 1 January and completed on 31 March which is roughly 12 weeks.

The service providers were requested to duplicate additional block as they require.

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

- a. There's only one CV template and the Department needs three resources for each category, does it mean we may copy the templates for each resource and paste them in word format?  
*The CV template will be circulated to all the service providers who attended the briefing session.*
- b. Can the service providers submit copies of the reference letters from clients?  
*The municipalities need to complete Annexure A which is a prescribed format that was issued with the bid, the incomplete or unsigned and not stamped form will not be accepted by the Department.*
- c. The previous experience is from 2019 onwards, what if the project started in 2018 and rolled over multiple financial years up to 2020 is that letter applicable?  
*Yes, that experience will be applicable, but the Department will count the experience with effect from July 2019 onwards. The number of weeks worked on the project will be counted from that point onwards from a resource in terms of the company experience if it's running through from that period of July 2019 to now, we will consider it from a company experience point of view.*
- d. Is it possible to use the same resource twice?  
*Yes, you can use the same resource and the name resource must be indicated in different categories of service, provided that they meet the requirements in terms of qualifications and experience.*
- e. Someone who has completed articles, need to provide the training number and the discharge date, if someone is already a chartered accountant, what do you require? is a certificate sufficient? Secondly, there is a list of persons that are disqualified, is that list publicly available so that we know?  
*If you are a CA, then there is no need to provide the discharge date but you can still outline it on your CV but provide the training number and the student number. Based on the CA qualification, we will note that articles have been completed.*  
*The list of resources that have been excluded due to non-performance; we don't have a published a list as far as I know. If the Department find a letter indicating that the resource would not be eligible*



	<p><i>for future work within municipal finance if that firm specifically submits that resource, then the Department would exclude that resource. However, if another firm submits that resource at which we have no knowledge of or has no knowledge of that letter then we will accept it.</i></p> <p><i>If you receive a letter from PT itself to you to say that this resource is not eligible then you should not be putting that resource forth. However, if you have no knowledge that the resource has been excluded and the Department have no correspondence with your firm specifically then the Department will allow it.</i></p> <p>f. Reference letters from Auditor General, whether they would be acceptable or not as AG provides the external audit for municipalities. Understand the PFMA financial management and financial reporting of them is priority, so will they suffice or prove the proficiency and required expertise. Audits for MF as you then deemed to have certain expertise to meet some of the requirements. <i>The Department needs to be consistent in our application of the bid and the requirements from each bidder. The Department would have to require that the company experience to every bidder in the same format irrespective of whether they are deemed to be competent or not. Or having the ability to conduct an audit within a municipality is irrelevant.</i></p> <p><i>The conditions of the bid cannot be changed now, so bidders were requested to respond as per the conditions of the bid.</i></p> <p>g. In order to get the reference letters, we would be scanning the Annexure A to our (service provider) clients, so they are going to be copies if they are going to sign, stamp and send them back to us. <i>The copies will be accepted as the information can be verified if it is true or not with clients that completed the letters.</i></p> <p>h. If we had done the external audit in a municipality, can we maybe submit it in the prescribed form, the experience of an external audit will it be accepted? <i>Yes, if the Annexure A is completed by the municipality indicating the experience in external audit that experience will be accepted.</i></p>
4.	<p><b>Meeting Closure:</b></p> <p>The Chairperson emphasised the completion of the register, and shared on screen the register calling out the names of the service providers who completed the register.</p> <p>The Chairperson then thanked all present and the meeting was adjourned at 11:20am.</p>