

NON – COMPULSORY BUT STRONGLY RECOMMENDED CLARIFICATION MEETING – ONLINE (MICROSOFT TEAMS)		 CITY OF CAPE TOWN ISIXEKO SASEKAPA STAD KAAPSTAD	
SUPPLY CHAIN MANAGEMENT – TENDERS & CONTRACTS			

DESCRIPTION:	
	TENDER 046S/2026/27-Appointment of Main Banker and Other Banking Services for the City of Cape Town
HELD ON:	Tuesday 6 October 2026

MINUTES

Welcome and Introduction

The Chairperson, Hilton Robbins, welcomed all attendees to the bidder briefing meeting and confirmed that the meeting was being recorded to maintain a record of the proceedings.

The Chairperson requested attendees to identify themselves in the meeting chat and indicate the organisation or company they represented.

Purpose and Administration

The purpose is to assist tenderer to complete the document correctly

TENDER DESCRIPTION: APPOINTMENT OF MAIN BANKER AND OTHER FINANCIAL SERVICES FOR THE CITY OF CAPE TOWN

CONTRACT PERIOD: 60 MONTHS FROM THE COMMENCEMENT DATE OF THE CONTRACT (SUBJECT TO APPROVAL OF AN MFMA SECTION 33 PROCESS) BUT NOT EARLIER THAN 1 APRIL 2028

Closing date of submission: 23 October 2026 at 10:00 a.m.

Tender box number: 191

Bidder must ensure that they submit on time or before 10:00am and on the correct tender box number which is 191

Tenderer fee: R 200.00, Non-refundable tender fee payable to City of Cape Town (CCT) for a hard copy of the tender document, however the tender document can be downloaded from the website, fee is not applicable to website downloads of the tender document.

Those who will download the tender document must not change or remove any clause; the tender document must be completed in a non-erasable ink. The tenderer must submit tender document and attached any supporting document at the back

Anything bidder want to ask related to this tender, can contact:

CCT SUPPLY CHAIN MANAGEMENT ENQUIRIES:

Name: Finance Tenders

Email: Finance.Tenders@capetown.gov.za

2.2 Tenderer's obligations

2.2.1.1 Tenderers are obligated to submit a tender offer that complies in all aspects to the conditions as detailed in this tender document. An 'acceptable tender must "COMPLY IN ALL' aspects with the tender conditions, specifications, pricing instructions and contract conditions.

2.2.1.1.2 Compliance with requirements of CCT SCM Policy and procedures

Only those tenders that are compliant with the requirements from alphabet number (a to m) of the tender document will be declared responsive

Questions and Clarifications

Distribution of Questions Raised During the Meeting

Bonisile Magewu requested clarification on whether questions submitted during the bidder briefing meeting, and the corresponding responses, would be shared with all prospective bidders or provided only to the bidder who raised the question.

Janine Alexander confirmed that questions arising from the meeting would be included in the meeting minutes and circulated to all attendees. This would also include questions raised during the meeting for which attendees had been requested to submit an email.

Response- Questions raised during the meeting would be recorded in the minutes and distributed to all meeting attendees.

Clarification Requests Submitted After the Meeting

Bonisile Magewu further enquired whether clarification requests submitted by individual bidders via email after the meeting would be shared with all prospective bidders or answered only to the bidder who submitted the request.

Janine Alexander clarified that queries submitted by individual bidders after the meeting would be answered directly to the respective bidder, in line with the existing process for handling clarification requests. She reiterated that questions raised during the meeting would be included in the minutes circulated to attendees.

Outcome: Clarification requests submitted after the meeting would be responded to directly to the bidder who submitted the query. Questions raised during the meeting would be included in the minutes circulated to attendees.

Further Clarifications

Discussion

A bidder sought clarity on how questions and responses arising from the clarification process would be communicated to the market. The concern was that all prospective bidders should have equal access to information that may affect the preparation of their submissions and pricing strategies.

The Chairperson explained that the purpose of the clarification meeting was to ensure transparency and fairness throughout the procurement process. As a result, all questions raised during the meeting, together with the responses provided by the City, would be recorded in the official minutes and circulated to attendees. This would ensure that all interested parties benefit from the same information and clarification provided during the session.

Further discussion took place regarding queries submitted after the meeting. Officials clarified that bidders are welcome to submit additional questions through the designated tender email address. However, these enquiries would be dealt with directly with the bidder concerned. Where a response is considered material to the tender process and of relevance to all bidders, the City would determine the appropriate mechanism for communicating such information.

The discussion concluded with officials emphasising the importance of submitting enquiries as early as possible before the tender closing date to allow sufficient time for consideration and response.

Outcome

Questions raised during the clarification meeting will form part of the official minutes circulated to attendees. Additional queries should be submitted through the Finance Tenders email address.

Guarantees Pricing for the Five-Year Contract Period

Discussion

A bidder requested guidance on the pricing of guarantees, specifically how pricing should be approached where individual guarantees may have tenors that differ from the five-year duration of the banking contract.

The bidder explained that guarantee pricing in the banking sector is often dependent on the duration of the guarantee, with costs varying significantly between short-term and long-term guarantees. Clarification was therefore required on whether the City expected pricing to be based on a one-year period, a five-year period, or another assumed term.

The Treasury team explained that the intention of the pricing schedule was to achieve consistency and comparability between bids. Consequently, pricing should be based on the five-year contractual period contemplated by the tender. Officials noted that this does not imply that every individual guarantee issued under the contract would remain active for five years. In practice, guarantees are issued for varying periods depending on business requirements.

Treasury further advised that where a guarantee remains active beyond the expiry of the banking contract, processes are generally undertaken to cancel and replace such guarantees with the newly appointed banking service provider. Therefore, bidders should not base pricing assumptions on indefinite guarantee periods.

The discussion highlighted the City's objective of obtaining a standardized pricing model that enables fair and consistent evaluation across all submissions.

Outcome

Bidders are required to submit guarantee pricing based on the five-year duration of the banking contract.

Cash-Backed Guarantees and Quarterly Charges

Discussion

A bidder raised a concern regarding the pricing schedule for guarantees, noting that provision had not been made for quarterly charges applicable to fully cash-backed guarantees. The bidder explained that certain institutions may apply administration or maintenance fees even where guarantees are fully cash secured.

Treasury advised that extensive market engagement and industry benchmarking had been undertaken during the development of the tender specifications. Feedback received from industry participants indicated that fully cash-backed guarantees generally do not attract quarterly or recurring charges because the guarantee provider's risk exposure is largely mitigated through the pledged cash security.

Officials therefore explained that no separate line item had been included in the schedule for such charges. The pricing template was structured around the charging models most commonly applied within the industry.

The bidder indicated that some institutions may nevertheless include administration-related costs within their pricing structures. Treasury acknowledged this possibility and advised that bidders could, where necessary, factor such costs into other applicable pricing items provided that pricing remained transparent and commercially reasonable.

It was noted that the City did not intend amending the pricing schedule as a result of this query.

Outcome

The pricing schedule remains unchanged. Any associated administrative costs may be accommodated within existing pricing items where appropriate.

Evaluation of Guarantee Pricing Components

Discussion

A bidder requested clarification regarding the evaluation methodology that would be applied to guarantee-related pricing. Specifically, the bidder sought confirmation on whether issuance fees and quarterly maintenance charges would be assessed separately or consolidated into an annualized charge for evaluation purposes.

Treasury explained that the pricing schedule had been intentionally designed to isolate the different cost components associated with guarantees. This approach would allow the City to understand the individual cost drivers and compare pricing structures across bidders more effectively.

Officials advised that each line item in the pricing schedule would be evaluated as submitted. Issuance fees, maintenance fees, quarterly charges and any other cost elements must therefore be priced separately in the spaces provided.

The City stressed that bidders should avoid combining costs into a single pricing element where the tender document specifically requires separate disclosure, as this could undermine comparability during evaluation.

The discussion concluded with Treasury reiterating the importance of carefully completing every pricing line item in accordance with the tender instructions.

Outcome

Each guarantee-related pricing item will be evaluated separately. Bidders must price each component individually.

Banking Facilities and Credit Limits

Discussion

Questions were raised regarding the City's requirements for banking facilities and credit approvals, particularly in relation to overdraft facilities, short-term funding arrangements and other forms of credit support that are commonly addressed during banking procurements.

Representatives from the banking sector observed that previous municipal banking tenders often specified minimum facility limits or required banks to demonstrate pre-approved credit capacity during the tender stage.

Treasury clarified that the City's requirements had evolved and that the current tender deliberately excludes predetermined credit facility amounts. Officials explained that banking facilities are subject to changing operational needs and financial circumstances and are therefore more appropriately negotiated with the successful service provider after contract award.

It was further explained that requiring pre-approved facilities from all bidders at tender stage could place unnecessary costs and administrative burdens on bidders, particularly where such facilities may never be utilised.

The City confirmed that the successful bank would engage directly with Treasury after appointment to assess facility requirements and determine suitable arrangements if and when facilities become necessary.

Some bidders indicated that internal bank approval processes may require information on anticipated facility exposure. Treasury advised that additional information requests could be submitted through the formal clarification process and would be considered accordingly.

Outcome

No pre-approved facilities or credit approvals are required as part of tender submissions.

Merchant Solutions and Combo Devices

Discussion

A bidder sought additional information regarding the City's merchant acquiring and point-of-sale requirements, specifically the possible need for dual-screen or "combo" payment devices.

The bidder explained that in many municipal cash office environments, customers and cashiers are separated by security barriers such as bullet-resistant glass. Under these circumstances, standard payment terminals may create operational challenges because customers are unable to view transaction details or enter PINs conveniently.

Treasury confirmed that a significant number of municipal customer-facing facilities operate in this manner. As a result, the City currently utilises and may continue to require payment technologies that cater for both cashier and customer interfaces.

Officials explained that operational considerations, customer convenience and security requirements are important factors in determining the most appropriate payment solution. The use of combo devices can improve transaction efficiency while maintaining the City's security protocols.

Treasury noted that exact quantities are not fixed at this stage and would be finalised with the successful bidder during implementation and site assessments.

The discussion also touched on future technology developments and the City's willingness to consider innovative payment solutions that improve customer experience while remaining cost-effective.

Outcome

The City anticipates requiring combo devices in various operational environments, with final requirements to be determined after award.

Invoice Requirements for Banking Charges Discussion

A bidder requested clarification regarding the City's invoicing and payment arrangements for banking fees, particularly whether charges may be deducted directly from municipal accounts before invoices are received.

Treasury advised that this reflects the City's current operational practice with its banking service providers. Banking fees are typically debited directly against the relevant accounts in accordance with agreed service arrangements.

Officials explained that supporting invoices remain essential for validation, reconciliation and audit purposes. The City therefore requires invoices to be provided as soon as reasonably possible after the charges have been processed.

The discussion highlighted the importance of maintaining sufficient supporting documentation to enable Treasury officials to verify fees and ensure compliance with internal financial controls.

Participants also discussed electronic invoicing capabilities and reporting requirements, with Treasury indicating that efficient and transparent reporting mechanisms would remain an important service delivery expectation throughout the contract period.

Outcome

Banking fees may be debited directly to the City's account, provided supporting invoicing is supplied for reconciliation purposes.

Debt Sponsor Services

Discussion

An extensive discussion took place regarding the debt sponsor component of the tender. Bidders sought clarification on several technical matters relating to capital market activities, bond programme administration and regulatory compliance.

One bidder queried whether references contained in the tender document aligned with the most recent debt listing requirements published by the Johannesburg Stock Exchange (JSE). Treasury acknowledged that regulatory environments continue to evolve and confirmed that bidders may apply the latest regulatory requirements where appropriate.

Further discussion focused on pricing methodology. Bidders queried whether fees should be provided for each year of the contract or whether future escalations should be built into current pricing. Treasury advised that bidders should submit pricing based on Year 1 values as required by the pricing schedule. Any future price adjustments would be governed by the contractual provisions dealing with annual escalations and performance of the contract.

Additional questions were raised regarding the possibility of utilising affiliated companies, consortium partners or specialist sub-contractors to perform debt sponsorship functions where bidders do not hold all the required internal capabilities.

Treasury acknowledged the importance of the question and advised that a definitive response required consultation with Supply Chain Management officials to ensure alignment with procurement legislation and subcontracting provisions. The matter would therefore be reviewed and addressed through a formal written clarification after the meeting.

The discussion concluded with officials reiterating the City's commitment to ensuring a fair and legally compliant procurement process while simultaneously encouraging competition within the market.

Outcome

Treasury and SCM will issue a written clarification regarding the use of partner entities for debt sponsorship services.

Closing Remarks

The Chairperson invited SCM to indicate whether any additional matters required attention before the meeting concluded.

SCM reiterated that prospective bidders could submit clarification requests via the designated Finance email address.

The Chairperson reminded bidders that the tender closing date was approaching and urged them to submit any outstanding questions promptly.

The Chairperson thanked all attendees for their participation, wished them well with their tender submissions, and confirmed that the meeting minutes would be circulated.

Meeting adjourned

