

SECTION 2.4: BID EVALUATION

Tenders will be pre-evaluated firstly on the basis of functionality, which will be used to pre-qualify all responsive bids. **A bidder that scores less than 70 points out of 100 in respect of “functionality” will be regarded as submitting a non-responsive proposal and will be disqualified.**

2.4.1 Functionality criteria:

The following criteria and formula will be used to calculate points for the functionality of the proposal:

CRITERIA	VALUE	SCORE
Company Profile Profile must at least include: <ul style="list-style-type: none"> a detailed exposition of relevant experience full information on the services that will be provided names of references at local authorities which are clients of the bidder. 	20	
Ability of the bidder's infrastructure to handle and settle claims <ul style="list-style-type: none"> Details of bidder's infrastructure and resources to handle and settle claims to be attached to bid documents 	15	
Legal support <ul style="list-style-type: none"> Details of support that will be given to Municipality in respect of claims rejected on legal grounds. 	15	
Approach and Methodology <ul style="list-style-type: none"> Details of thorough methodology, with a framework, which shall be evaluated on services as indicated under the scope of works 	30	
Liquidity of insurer underwriting claim settlements <ul style="list-style-type: none"> Details of the ratio (current ratio) based on the latest Annual Financial Statements to be submitted with bid documents 	20	
TOTAL	100	(So)

2.4.1.1 The bidder must supply full details on the above criteria.

2.4.1.2 The price schedules and conditions form the basis of insurance cover to be provided to this Municipality and must clearly state the exact premiums and/or other payments applicable to the Municipality. It may not be quoted in any other way than on the enclosed schedules. Any deviations from these schedules must be specified clearly in a separate schedule which only shows the deviations. Bids not meeting the aforementioned requirements will be considered non-responsive and disqualified.

2.4.1.3 It must be highlighted that the Municipality can, after awarding the tender to the successful bidder, amend the insured amounts with any further information obtained before the start of the 2026/2027 financial year (1 July 2026). Unclear or incomplete information provided will result in no points being allocated.

2.4.2 Criteria will be evaluated as follows:

CRITERIA	VALUE	SCORE
COMPANY PROFILE (20)		
Detailed exposition of relevant experience 10		
More than 20 years' experience	10	
More than 15 less than 20 years' experience	8	
More than 10 less than 15 years' experience	6	
More than 5 less than 10 years' experience	4	
Less than 5 years' experience	2	
Information on services that will be provided (5)		
Provide all required services	5	
Provide between 60- 80% of required services	3	
Provide less than 40% of required services	1	
Names of references at local municipalities which are clients of the bidder (5)		
More than 10 clients	5	
Between 5-10 clients	3	
Less than 5 clients	1	
ABILITY TO HANDLE AND SETTLE CLAIMS 15		
Electronic claims register with more than two clerks	15	
Electronic claims register with one clerk	10	
Manual claims register with more than two clerks	8	
Manual claim register with one clerk	5	
Manual claim register with no designated clerks	0	
LEGAL SUPPORT 15		
legal support available in house	15	
legal support available (external)	15	
No legal support available	0	
APPROACH AND METHOD 30		
Excellent Besides meeting the "Good" rating, the critical components are approached and dealt with in such a way that it indicates the bidder's exceptional knowledge of the industry	30	
Good The approach is specifically tailored to address specific objectives and requirements and is sufficiently flexible to accommodate changes that may be made to the portfolio	20	
Average The approach is too generic and not tailored to address specific objectives and requirements. It does not adequately deal with critical characteristics of the insurance portfolio.	15	
Poor The methodology and framework are poor and unlikely to satisfy the required objectives or requirements. The bidder has misunderstood the scope of work and does not deal with the critical aspects of the insurance portfolio.	5	
LIQUIDITY OF UNDERWRITER (CURRENT RATIO) 20		
Rating: greater (>) than 1	20	

Initials of Service Provider's Authority:

Rating: less (<) than 1	10	
TOTAL		

EVIDENCE OF FUNCTIONALITY SHOULD BE ATTACHED IN AN ANNEXURE ATTACHED TO THE TENDER DOCUMENT

Failure to adhere to the beforementioned may result in your tender being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED [NAME] CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY EXERCISE DUE CONSEQUENCE MANAGEMENT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE:

NAME:

CAPACITY:

DATE:

Initials of Service Provider's Authority: