



TERMS OF REFERENCE

NT004-2026

APPOINTMENT FOR A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF THREE (3) YEARS TO ASSIST THE MUNICIPAL FINANCIAL RECOVERY SERVICES UNIT WITH THE PREPARATION OF FINANCIAL RECOVERY PLANS AS AND WHEN REQUIRED

CLOSING DATE AND TIME OF BID

20 MARCH 2026 AT 11H00

BID VALIDITY PERIOD: 90 DAYS

National Treasury



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LIST OF ABBREVIATIONS

BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
B-BBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
MFRS	Municipal Finance Recovery Services
NT	National Treasury
PPR 2022	Preferential Procurement Regulation 2022
QSE	Qualified Small Enterprise
RSA	Republic of South Africa
SLA	Service Level Agreement
SARS	South African Revenue Service
SCC	Special Conditions of Contract
SBD	Standard Bidding Document
VAT	Value Added Tax

LIST OF ANNEXURES

- i. Annexure A : General Conditions of Contract (GCC)
- ii. Annexure B : Standard Bidding Documents (SBD's)
- iii. Annexure C : Guide for online bid submission
- iv. Annexure D : Curriculum Vitae Template



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DEFINITIONS

Customer	A participant on the transversal contract who procures goods and/or services from the appointed Supplier(s).
Delivery	The process of transporting goods from a bidder's source location to a predefined destination by the participants.
Due Diligence	The investigation or exercise of care that the State conducts before entering into an agreement with the bidders to validate the bid responses.



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Table 1: Bid Document Checklist and Returnable Documents

#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 1: LEGISLATIVE AND OTHER STANDARD BIDDING REQUIREMENTS				
1.	SBD 1 Invitation form to bid	Yes	Yes	
2.	SBD 4 Declaration of Interest	Yes	Yes	
3.	SBD 6.1 Preference Points Claim Form	Yes	Yes	
4.	Full CSD report	No	Yes	
5.	CIPC documents	No	Yes	
6.	CV template	Yes	Yes	
7.	Copies of qualifications	No	Yes	
8.	Valid work visa and permit	No	If Applicable	
9.	Commissioned affidavit	No	Yes	
10.	Signed teaming agreement	No	If Applicable	
11.	Valid Tax Clearance Certificate and/or SARS-issued pin code	No	Yes	
12.	Consolidated Central Supplier Database Registration (CSD) full report in the case of a joint venture	No	If Applicable	
PHASE 2: FUNCTIONALITY				
13.	The bidder must submit supporting documents. A Minimum threshold of 60 % must be achieved	No	Yes	
PHASE 3: PRICE & SPECIFIC GOALS				



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#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
14.	Proof of specific goals requirements	No	Yes	

SECTION A: INTRODUCTION AND TERMS OF REFERENCE

1. DESCRIPTION AND FORMAT OF THE BID

- 1.1 This bid is for the appointment of a panel of service providers for a period of three years to assist the municipal financial recovery services unit with the preparation of financial recovery plans as and when required.
- 1.2 This bid document is structured as follows:
- 1.2.1 Section A : Introduction and Terms of Reference
 - 1.2.2 Section B : Conditions of Bid
 - 1.2.3 Part 1 : Evaluation Criteria
 - 1.2.4 Part 2 : Additional Bid Requirements
 - 1.2.5 Part 3 : Recommendation and Appointment of Bidders
 - 1.2.6 Section C : Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA), as well as the Preferential Procurement Policy Framework Act 2000 (PPPFA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to those of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

3. BRIEFING SESSION

- 3.1 A non-compulsory virtual briefing session will be held as follows:



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Venue : Microsoft Teams

Date : **04 MARCH 2026**

Link : [NT004-2026 APPOINTMENT FOR A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF THREE \(3\) YEARS TO ASSIST THE MUNICIPAL FINANCIAL RECOVERY SERVICES UNIT WITH THE PREPARATION OF FINANCIAL RECOVERY PLANS AS AND WHEN REQUIRED BRIEFING SESSION | Meeting-Join | Microsoft Teams](#)

Time : 09:00 – 10:00 South African Standard Time (SAST)

- 3.2 The bid information session is not compulsory, but it will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document.
- 3.3 The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.

4. BACKGROUND

- 4.1 Section 139(5) of the Constitution provides for provincial intervention in a municipality if the municipality is found to be in persistent and material breach of its obligations to provide basic services and /or meet its financial commitments. S139(5)(a) of the Constitution requires that for these municipalities, a Financial Recovery Plan (FRP) must be imposed on the municipality. Chapter 13 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), (hereinafter referred to as the "MFMA") gives effect to the provisions of Section 139 of the Constitution and provides guidance on the processes to be followed and content to be included in the development of FRPs.
- 4.2 Section 141(2) of the MFMA states that for any mandatory intervention, which is an intervention invoked in terms of S139(5) of the Constitution, only the Municipal Financial Recovery Services (MFRS) Unit can prepare the FRP. The MFRS unit is established as a Chief Directorate within the Intergovernmental Relations Division of the National Treasury.

5. CURRENT STATE OF MUNICIPAL FINANCES

- 5.1 The MFMA, which was enacted in 2003, provides a solid foundation for the governance and management of municipal finances. In addition to the MFMA, the National Treasury has implemented several reforms and regulations over the years aimed at creating greater transparency and uniformity in the way municipalities report on and manage their finances. However, despite the robust legislative and regulatory environment, the number of municipalities finding themselves in financial distress or in a financial crisis is growing. Some of the National Treasury's performance statistics show that:

- a) **There were 43 municipalities in a financial and service delivery crisis in 2022. This**



information is being updated; however, preliminary indications are that the number will exceed 50 municipalities.

- b) There are 168 municipalities in financial distress as per the State of Local Government Finances and Financial Management Report.**
- c) 96 municipalities have passed unfunded budgets for the 2024/25 financial year:**
- d) 129 municipalities had their conditional grants withheld due to failure to spend the grant within the 2023/24 financial year.**

5.2 Amongst the most common reasons for poor municipal financial performance include, mismanagement of municipal funds, lack of a sound financial control environment, failure to follow SCM processes and procedures, a shortage of appropriate qualified and skilled personnel, political interference in municipal administration, unfunded budgets, lack of consequence management, increasing UIFW expenditure, poor revenue collection and tariff setting, inadequate implementation of credit control measures and failure to adapt to a changing economic environment.

6. FINANCIAL RECOVERY PLAN (FRP) DEVELOPMENT

6.1 The FRP is the primary turnaround tool used when a mandatory S139(5) intervention is invoked in a municipality. For this reason, the development of the FRP must be aligned with the root causes of failure in a municipality to assist the municipality in resolving its financial challenges and improving basic service delivery.

6.2 The development of FRPs follows a three-phased approach to allow for strategic implementation of the FRP by the municipality. The three phases include a Rescue Phase (a short-term phase of approximately 6-8 months focusing on a limited set of activities), a Stabilisation Phase (a longer-term phase of approximately 18 to 24 months focusing on addressing the underlying issues) and a Sustainability Phase (intended to ensure that prior to exiting an intervention, the basics are in place to ensure improved and sustained financial and service delivery performance). In each phase, activities are identified for implementation. Activities must comply with SMART principles.

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6.4 Successful bidders will be invited to a session to discuss FRP development in more detail.



7. OVERALL OBJECTIVES

- 7.1 The overall objective of this assignment is to assist the MFRS unit in preparing FRPs for municipalities in financial distress or in financial crisis. The number and frequency of FRPs to be developed will depend on the number of requests received from Provinces. Upon receipt of a request, the MFRS unit will evaluate the request and if approved, a Request for Quotation (RFQ) will be submitted to all successful bidders on the panel. Service Providers will have an equal opportunity to compete; however, please note that the number of FRPs to be allocated to service providers under one RFQ will be determined by the MFRS unit together with the SCM unit in NT in line with the National Treasury-approved supply chain management policy and applicable statutory prescripts.
- 7.2 The MFRS unit also reserves the right to decide on the distribution of work amongst service providers on the panel and will determine the relevant municipality or municipalities to be assisted by a service provider(s) in line with the National Treasury-approved supply chain management policy and applicable statutory prescripts

8. TECHNICAL SPECIFICATIONS

- 8.1 This bid is for the appointment of a panel of service providers for a period of three years to assist the Municipal Financial Recovery Services unit with the preparation of financial recovery plans as and when required.

8.2 The contract will consist of the following scope of work:

8.3 Development of a Status Quo Assessment

- 8.3.1 **Before the development of an FRP, it is important that a thorough assessment be undertaken to identify the root causes of the problem/s in the municipality. In developing a status quo assessment, the following must be done:**

- (a) Identify, collate, and analyse all information, records, and documents necessary for the conducting of the status quo assessment.
- (b) Assess the municipality's current financial status and determine the state of basic services provision in the area of jurisdiction of the municipality.
- (c) Undertake a diagnostic analysis on the governance and institutional arrangements of the municipality to determine the extent to which they underpin the financial and service delivery challenges.
- (d) Prepare a socio-economic profile and examine changes in the socio-economic environment of the municipality to determine the extent to which the external environment is affecting the performance of the municipality.



- (e) Identify the root causes of problems through the availability of existing documentation, engagements with the municipal administration, consultation with the municipal council and other stakeholders when required.
- (f) Document findings and consult with the municipality and any relevant stakeholder to inform the reasons for the crisis and the municipality's financial state, including the state of service delivery and on the accuracy and validity of these findings.
- (g) Present progress and outcomes of analysis of information, documents and records, including on the draft financial recovery plan as and when required. Finalise a status quo assessment report for submission by the Municipal Financial Recovery Service to the MEC for Finance in the province in a provincial intervention and the Minister of Finance in a national intervention.

8.3.2 The timeframe for the completion of this task is 5 weeks from the date of signing of a Service Level Agreement between the National Treasury and the Service Provider.

8.4 **Preparation of the Financial Recovery Plan and Implementation Plan**

8.4.1 The preparation of the FRP takes place once the Status Quo Assessment is completed. The Service Provider will use the information in the Status Quo Assessment Report to identify the potential solutions available to the municipality to improve its financial and service delivery performance. In developing the FRP, the following must be considered:

- (a) Identify the key areas contributing to the crisis in the municipality and ensure that appropriate strategies are recommended that are aligned with the root causes of the municipal crisis.
- (b) Consult with the municipality's principal suppliers and creditors to the extent they can be reasonably contacted, consult with the MEC for Finance and local government, including organized labour.
- (c) Take into consideration any financial recovery plan that has previously been prepared for the municipality and any proposals that may be advanced by the municipality or any creditor of the municipality.
- (d) Design the financial recovery plan to place the municipality in a sound and sustainable financial condition as soon as possible. State the principal strategic objectives of the plan, and ways and means for achieving those objectives in line with the three-phased approach to preparation of the FRP.
- (e) Identify human and financial resources needed to assist in resolving financial problems and where those resources will come from.
- (f) Describe the anticipated timeframe for financial recovery and milestones to be achieved.
- (g) Set out a specific strategy for addressing the municipality's financial problems/crisis, including a strategy for reducing unnecessary expenditure and increasing the collection of revenue as may be necessary.



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- (h) Provide for special measures to prevent unauthorized, irregular and fruitless and wasteful expenditure and other losses.
- (i) Undertake a financial modelling exercise to determine the possible period of recovery and to identify targets by which performance will be measured against for the duration of the intervention in terms of section 142 (2) of the MFMA.
- (j) Changes / Strategies must be disaggregated into activities for inclusion in an implementation plan (these activities must comply with SMART principles and the objectives of the different phases).
- (k) Workshop the proposed changes/strategies with the municipality.
- (l) Consult with all relevant stakeholders provided for under Section 141 of the MFMA.
- (m) Consider any comments received through public participation processes, from the municipality and other stakeholders.

8.4.2 The timeframe for the completion of an FRP is 90 days as per Section 139 (1) (a) (v)(bb) of the MFMA, calculated from the date of submission of the status quo assessment by the Municipal Financial Recovery Service to the MEC for Finance. This includes the internal processes that must be followed within the National Treasury for submission of an FRP to the MEC for Finance in a province. To ensure compliance with this deadline, which is an indicator in the Annual Performance Plan of the National Treasury, FRPs must be completed by service providers within 70 – 75 days of the Status Quo Assessment being submitted to the MEC for Finance. This will include the necessary stakeholder consultations. The remaining days will be used for FRP processing and quality assurance purposes.

8.4.3 Upon allocation of an award to prepare an FRP, the service provider will be required to submit and present the approach and methodology to be applied to conducting the status quo assessment and the preparation of the financial recovery plan.

8.5 **Close-out**

- (a) Prior to the closing-out of a contract/service level agreement, service providers must provide a written report to the MFRS unit, highlighting challenges experienced, lessons learned, as well as identifying the best practice that can be used in the development of future FRPs.
- (b) Service providers will also be expected to provide the National Treasury with a record of documents, information and correspondence used in the development of an FRP.
- (c) The service provider will also be required to attend any consultation and submit any missing information, records and documents at no extra cost to the National Treasury in the event of a Court application in relation to the preparation of the financial recovery plan.

8.6 **Pricing Guide**



- (a) For each RFQ issued to successful bidders on the panel, a pricing guide will be included. This is intended to narrow the gap in the quotations received from the different service providers and minimise the number of price negotiations that must be concluded. The pricing guide will take into consideration the category of municipality, the high-level state of affairs in the municipality, any environmental considerations and other factors that warrant consideration.
- (b) Where the bidder repudiates or is not interested in an offer, National Treasury reserves the right to make an award to the second qualifying bidder. National Treasury also reserves the right not to make an offer.

8.7 **Performance Evaluations**

- (a) Supplier performance management is viewed by the National Treasury as a critical component of the preparation of financial recovery plans to ensure value for money and realistic and practical FRPs are developed that will progressively assist the municipalities to recover from their financial crisis and failures in the provision of adequate basic services.
- (b) Once a project is allocated, the bidder will be required to conclude a service level agreement (SLA) with the National Treasury. The SLA will serve as a tool to measure, monitor, and assess the performance of the service provider and ensure effective delivery of the services, quality and value-add to the core business of the National Treasury.
- (c) If the successful bidder does not reach consensus on the SLA, the said service provider will, with immediate effect, cease to be on the panel.
- (d) Once a service provider is eligible to be appointed on the panel, it is assumed that the service provider has the relevant skills, knowledge, experience and qualifications required for the assignment. For each FRP developed an assessment will be undertaken to determine the performance of the service provider in the execution of this assignment. The assessment will include the following:
 - i. Has the service provider submitted information on time for all stages of the process?
 - ii. Is the information of the quality expected – are problems identified at the root and is the document well-structured and written in a manner that requires minimal editing/changes by the MFRS team?
 - iii. Do the proposed solutions align fully with the root causes?
 - iv. Has the service provider availed themselves for the required consultations/meetings, etc.?



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- v. Has the service provider considered all the written inputs of the municipality, creditors, organized labour, structures of government and comments received through the public participation process?
- vi. Has the service provider considered any financial recovery plan that has been previously prepared for the municipality?
- vii. Is the principle of legality and rationality complied with in the conducting of the status quo assessment and preparation of the financial recovery plan?
- viii. Does financial modelling demonstrate practical and realistic projected recovery processes within the three-phased approach of the FRP?
- ix. Has the service provider adhered to the approved Roadmap and the project implementation plan timelines?
- x. Have any non-compliance letters been issued to the service provider for failing to comply with any aspect of the assignment?

8.8 Service Provider Profile

8.8.1 The following skills, knowledge, experience and qualifications are essential:

- b. Ability to work as part of a team.
- c. Excellent written and verbal communication skills, including presentation skills.
- d. Ability to manage and direct consultations with different stakeholders, including municipalities resistant to intervention, government departments, local labour forums and municipal creditors.
- e. Knowledge sharing skills and capacity building skills.
- f. A thorough understanding of the South African government system, Intergovernmental Relations system, the local government legislative framework and municipal turnaround strategies.
- g. Resources of bidders must demonstrate both practical management and working experience in local government (municipalities) in South Africa.
- h. Demonstrated experience in the public sector, particularly related to the development of municipal recovery/turnaround strategies and processes, financial recovery planning, financial management, revenue and expenditure controls, revenue collection, organisational restructuring and human resources, infrastructure and service delivery management, legal and governance management.
- i. Demonstrable experience in the South African context.



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- j. An appropriate minimum qualification and experience as per the table below.



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Teams must be constituted as follows:

RESOURCE	MINIMUM QUALIFICATIONS	MINIMUM EXPERIENCE
Project Manager / Project Director	Honours Degree in one or more of the following: <ul style="list-style-type: none">- Financial management- Public/municipal finance or administration- Economics	At least a minimum of 10 years of management experience in leading projects related to recovery planning, financial management or interventions at the local government level
Municipal Finance / Financial management expert	Bachelor's degree in financial management and/or public/municipal finance, and/or accounting	At least a minimum of 8 years' experience at the management level related to municipal financial management, municipal finance operations, in particular budgeting, revenue and expenditure management, tariff setting, financial modelling, supply chain management, turnaround initiatives, municipal financial position and performance improvement initiatives
Governance and Legal Services Expert	Bachelor's degree in law / B Proc or any other law-related	At least a minimum of 8 years' experience at the management level in Governance and legal



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RESOURCE	MINIMUM QUALIFICATIONS	MINIMUM EXPERIENCE
	degree at bachelor's level	services, including experience in Oversight, Contract management, legislative compliance, bylaws development and enforcement, Powers and Functions, Policy development and standard operating procedures, resolution of litigations, systems of delegations' development, and financial disputes resolutions in a municipal environment
Institutional/organizational design Expert	Bachelor's degree in Organisational Development / Human Resources.	At least a minimum of 8 years' experience at a management level in institutional or organizational restructuring, organisational design, development of job descriptions and grading, staff establishments, performance management, resolution of labour disputes, development of organisational policies and procedures development.
Engineering Specialist	Bachelor's degree in civil engineering, Electrical	At least a minimum of 8 years' experience at the management level in



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RESOURCE	MINIMUM QUALIFICATIONS	MINIMUM EXPERIENCE
	Engineering, Construction or other relevant qualification	municipal services infrastructure projects, infrastructure planning and implementation, infrastructure masterplans, maintenance plans development, municipal service delivery standards development and asset management.



SECTION B: CONDITIONS OF BID

9. PART 1: EVALUATION CRITERIA

9.1 The details of the evaluation phases are outlined below:

Table 2: Evaluation Criteria

Phase 1	Phase 2	Phase 3
Legislation and other standard bidding Administrative Requirements	Functionality Requirements	Price and Specific Goals
Compliance with legislative and other bid requirements	Minimum threshold of 60%	Bids evaluated in terms of the 90/10 preference system

10. PHASE 1: LEGISLATIVE AND OTHER STANDARD BIDDING DOCUMENTS/ ADMINISTRATIVE

10.1 Legislative Requirements

10.1.1 It is also a requirement for bidders to submit the other legislative documents as detailed below.

10.1.2 SBD 1 invitation form to bid.

10.1.3 SBD 4 bidder's disclosure.

10.1.4 SBD 6.1 preference points claim form.

10.1.5 Central Supplier Database – A Central Supplier Database report must be submitted

10.1.6 CIPC documents

10.1.6.1 Shareholding portfolio by proof of registration of the company with the Companies Intellectual Property Commission. An additional document detailing the shareholding of the bidder in an organogram format in support of the proof of company registration must be submitted by bidders at the closing date and time.

10.2 CV template

10.2.1 The bidder must submit CV templates that are signed by the proposed resource CVs (**template provided ANNEXURE A**) must be signed by the proposed resource and not signed on behalf of the proposed resource. **Unsigned CVs and CVs submitted in a different template will not be considered.** It should be noted that no consideration will be made to any bidder that has provided profiles for their resources, which are also provided by another competitor in this same bid; this is considered collusive tendering.

10.2.2 Bidders are required to submit a list of resources, clearly indicating the category for which each



resource will be responsible.

10.2.3 Bidders must indicate the names of municipalities for which they have prepared Financial Recovery Plans (FRPs) or assisted in developing municipal turnaround strategies and previously worked and must clearly state the duration of each assignment

10.2.4 **Copies of qualifications**

10.2.4.1 The bidder must submit copies of qualifications of resources should be certified within the last six (6) months and should submit their higher education qualifications, and in the case of foreign qualifications, it is the responsibility of the bidder to ensure SAQA accreditation is confirmed and submitted. If not submitted, the lowest score will be allocated.

10.2.5 **Valid work visa and permit**

10.2.5.1 The bidder is required to submit a valid work visa and permit that complies with the provisions of the Immigration Act, 2002 (Act No.13 of 2002) read together with the critical skills list published in terms of Regulation 18(1) and 18(5) dated 02 August 2022 must be submitted for the director of the company submitting a bid and for each foreigner proposed as a resource. If not submitted, the resource will be disqualified.

10.2.5.2 The department reserves the right to request the bidder to prove that the firm has exhausted all avenues to acquire that skill within South Africa and may request proof.

10.2.5.3 The personnel will only work on projects if they are granted a positive South African security clearance.

10.2.6 **Commissioned/Sworn affidavit**

10.2.6.1 A commissioned/sworn affidavit signed by each resource confirming direct employment in a municipality in South Africa for a minimum period of five years must be submitted (cumulative).

10.2.7 **Signed teaming agreement**

10.2.7.1 In the case of a Joint Venture, Consortium, Trust, or Partnership, a signed teaming agreement must be submitted.

10.2.8 **Valid Tax Clearance Certificate and/or SARS-issued pin code**

10.2.8.1 The bidder must submit, in the case of a Joint Venture, Consortium, Trust, or Partnership a Valid Tax Clearance Certificate and/or SARS-issued pin code for both companies must be submitted (which will be verified).

10.2.9 **Consolidated Central Supplier Database Registration (CSD) full report**

10.2.9.1 Proof of company registration on the Central Supplier Database Registration (CSD).



Failure to submit the documents indicated above, even after the bidder has been notified and given a maximum of seven calendar days to rectify, may invalidate the bid.

10.3 **PHASE 2: FUNCTIONALITY EVALUATION**

- 10.3.1 During this phase, bidders' responses will be assessed based on functionality. To proceed to the next phase of evaluation, bidders must achieve a minimum total score of **60%** for the functional requirements. Only bidders who pass phase three (3) will be considered for functionality evaluation. Failure to meet the minimum functionality threshold will result in disqualification from further evaluation.
- 10.3.2 Bidders are required to submit supporting documentation for all functional requirements as part of their bid submission. The Bid Evaluation Committee (BEC) will assess and score each bid based solely on the submitted documentation and the information provided. Failure to provide adequate supporting documents may result in a lower functionality score.
- 10.3.3 Each criterion will be assigned a score, which will then be multiplied by the designated weighting for that criterion. The total score will be calculated by summing these weighted scores and expressing the result as a percentage of the highest possible score. Bidders are encouraged to ensure that their submissions are complete and clearly demonstrate compliance with the functional requirements.
- 10.3.4 **NB: Bidders must provide resources with South African Local Government experience. Any experience outside South Africa will not be considered.**



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Table 3: Functionality evaluation category 1: Project Manager/ Director

No	Evaluation Criteria	Weights	Scoring Criteria
1.1	At least an honours degree in financial management and/or public finance and/or business economics and/or business administration and/or public administration.	20	5= PhD (NQF 10) or higher 4= Masters degree (NQF 9) 3=Honours degree or Post Graduate Diploma (NQF 8) 2 = Bachelors' Degree/Advanced Diploma (NQF 7) 1 = National Diploma/(NQF6) or or less
1.2	At least 8 years of management experience in South African local government environment leading projects related to municipal turnaround, municipal recovery planning and financial management.	30	5 = 11 or more years of relevant experience 4 = 9 to 10 years relevant experience 3 = 8 years relevant experience 2 = 5 to 7 years relevant experience 1= less than 4 years' experience
1.3	At least 5 years' experience in managing multi-stakeholder projects	20	5 = 8 or more years relevant experience 4 = 6 to 7 years relevant experience 3 = 5 years relevant experience 2 = 3 to 4 years relevant experience 1= less than 2 years' experience
1.4	At least 8 years of experience at the management level leading projects related to municipal turnaround, municipal interventions, or municipal recovery processes	30	5 = 11 or more years of relevant experience 4 = 9 to 10 years relevant experience 3 = 8 years relevant experience 2 = 5 to 7 years relevant experience 1= less than 4 years' experience
	Total	100	
	Minimum Threshold	60	



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Table 4: Functionality evaluation Category 2: Municipal Finance/Financial Management Services

No	Evaluation Criteria	Weights	Scoring Criteria
2.1	Bachelor's degree in financial management and/or public/municipal finance and/or accounting or a relevant field.	20	5= Masters degree (NQF 9) or higher 4=Honours degree or Post Graduate Diploma (NQF 8) 3 = Bachelors' Degree/ Advance Diploma (NQF 7) 2 = National Diploma/(NQF6) 1= Matric or less
2.2	At least 8 years of management experience at the South African local government or within the local government environment.	20	5 = 11 or more years relevant experience 4 = 9 to 10 years relevant experience 3 = 8 years relevant experience 2 = 5 to 7 years relevant experience 1= less than 4 years' experience
2.3	At least 8 years of management experience in municipal financial management, municipal finance operations in particular budgeting, revenue and expenditure management, supply chain management, municipal financial position and performance improvement initiatives.	30	5 = 11 or more years relevant experience 4 = 9 to 10 years relevant experience 3 = 8 years relevant experience 2 = 5 to 7 years relevant experience 1= less than 4 years' experience
2.4	At least 5 years of management experience in financial recovery strategies / financial turnaround at the South African local government level.	30	5 = 8 or more years relevant experience 4 = 6 to 7 years relevant experience 3 = 5 years relevant experience 2 = 3 to 4 years relevant experience 1= less than 2 years' experience
	Total	100	
	Minimum Threshold	60	



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Table 5: Functionality evaluation Category 3 Governance and Legal Services

No	Evaluation Criteria	Weights	Scoring Criteria
3.1	At least a Bachelor's Degree in law / B Proc or any other law-related degree at bachelor's level.	20	5 = Masters and above 4 = Honours Degree 3 = Bachelor's Degree 2 = Diploma (NQF 5) 1= Matric certificate or no qualification
3.2	At least 8 years' management experience at local government or within the local government environment	20	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
3.3	At least 8 years' experience in local municipal governance or legal services including but not limited to Oversight, policy development and / or policy analysis, development of standard operating procedures and policies, contract management, Contract management, Powers and Functions, Legislative compliance, by-laws development and enforcement, dealing with litigation and dispute resolution	30	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
3.4	At least 5 years' experience in municipal turnaround or recovery strategies	30	5 = Above 10 years 4 = Between 8 and 10 years 3 = Between 5 and 7 years 2 = Between 3 and 5 years 1 = Less than 3 years
	Total	100	
	Minimum Threshold	60	



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Table 6: Functionality evaluation Category 4: Institutional/organizational restructuring services

No	Evaluation Criteria	Weights	Scoring Criteria
4.1	At least a Bachelor's degree in Organisational Development / Human Resources.	20	5 = Masters and above 4 = Honours Degree 3 = Bachelor's Degree 2 = Diploma (NQF 5) 1= Matric certificate
4.2	At least 8 years' management experience at local government or within the local government environment.	20	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
4.3	At least 8 years' experience at the municipal level in institutional or organizational restructuring, review and development of organisational structures, development of job descriptions and job grading, evaluating staff establishments, labour relations and human resource related matters.	30	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
4.4	At least 5 years' experience in municipal turnaround or recovery strategies.	30	5 = Above 10 years 4 = Between 8 and 10 years 3 = Between 5 and 7 years 2 = Between 3 and 5 years 1 = Less than 3 years
	Total	100	
	Minimum Threshold	60	



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Table 4: Functionality evaluation Category 5: Engineering services

No	Evaluation Criteria	Weights	Scoring Criteria
5.1	At least a Bachelors Degree in Civil Engineering, Electrical Engineering, Construction or other relevant qualification.	20	5 = Masters and above 4 = Honours Degree 3 = Bachelor's Degree 2 = Diploma (NQF 5) 1= Matric certificate
5.2	At least 8 years' management experience at local government or within the local government environment.	20	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
5.3	At least 8 years' experience in municipal infrastructure services, infrastructure projects, infrastructure planning and implementation, infrastructure masterplans, maintenance plans development, municipal service delivery standards development and asset management.	30	5 = More than 15 years 4 = Between 11 and 15 years 3 = Between 8 and 10 years 2 = Between 4 and 7 years 1= Less than 4 years
5.4	At least 5 years' experience in municipal turnaround or recovery strategies.	30	5 = Above 10 years 4 = Between 8 and 10 years 3 = Between 5 and 7 years 2 = Between 3 and 5 years 1 = Less than 3 years
	Total	100	
	Minimum Threshold	60	

NOTE: Each company must qualify for all 5 (five) disciplines per bid. Failure for a company to meet the set minimum threshold of 60% on any of the disciplines will lead to disqualification from further evaluation.

Bidders are required to submit a list of resources, clearly indicating the category for which each resource will be responsible.



10.4 **PHASE 3: PRICE AND SPECIFIC GOALS**

10.4.1 **Preference Point System**

- 10.4.1.1 Prices quoted for all goods and services must be furnished based on supply and delivery.
- 10.4.1.2 The pricing schedule (SBD 3.3) 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. Bidders are required to complete a mandatory Pricing Schedule in response to how much the items offered will be charged.
- 10.4.1.3 Prices submitted for in this bid must be filled in on the field provided on the pricing schedule supplied with the bid. Price structures that do not comply with this requirement may invalidate the bid.
- 10.4.1.4 The bid prices must include all handling fees, delivery costs, and VAT.
- 10.4.1.5 The pricing evaluation will be in terms of Regulation 5 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000). Responsive bids will be adjudicated by the State on the 90/10 preference point system.
- 10.4.1.6 The following formula will be used to calculate the points for price:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where,

P_s = Points scored for the comparative price of the bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of the lowest acceptable bid

10.4.2 **Applicable Taxes**

- 10.4.2.1 All bid prices must be inclusive of all applicable taxes.
- 10.4.2.2 Failure to comply with this condition may invalidate the bid.
- 10.4.2.3 All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- 10.4.2.4 Failure to comply with this condition may invalidate the bid.

10.4.3 **Proof of equity ownership and related matters**

- 10.4.3.1 The specific goals contemplated in this document must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business



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and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

10.4.3.2 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

10.4.3.3 All claims made for specific goals must be considered according to the following criteria:

- a) equity in private companies must be based on the percentage of equity ownership, and
- b) preference points may not be awarded to public companies and tertiary institutions.

10.4.3.4 equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.

10.4.3.5 A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.

10.4.3.6 A tenderer must submit proof of its ownership.

10.4.3.7 A tenderer who does not submit proof of their ownership may not be disqualified from the bidding process, but they score points out of 90/10 for price and zero (0) points out of 90/10 for specific goals.

10.4.3.8 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.

10.4.4 **Responsive Bids.**

10.4.5 **Specific Goals**

10.4.5.1 The following will be used to calculate the points for Historically disadvantaged individuals as well as specific goals.

- a) A maximum of 10 points may be awarded to a bidder for being a historically disadvantaged individual and/or **subcontracting** with a historically disadvantaged individual and/or achieving any of the specified goals stipulated in regulation 2022 of the Preferential Procurement regulations. For this bid, the maximum number of points that could be allocated to a bidder is indicated in the paragraph above. The State reserves the right to arrange contracts with more than one contractor.
- b) The government intends to promote the following goals with this bid, and the points to be allocated are



indicated against each goal:

Table 2: Preference Point System

SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10	REQUIRED PROOF TO BE SUBMITTED FOR EVALUATION PURPOSES
<p>The company owned by black people</p> <ul style="list-style-type: none"> • 100% company owned by black people = 5 points • 75% - 99% company owned by black people = 3 points • 60% - 74% company owned by black people = 2 points • 51%- 59% company owned by black people = 1 points • 0 - 50% company owned by black people = 0 points 	5	<p>Proof of claim as declared on SBD 6.1 (one or more of the following will be used verifying the tenderer's status:</p> <ul style="list-style-type: none"> • Certified identification documentation of company director/s • In case of joint venture consolidated B-BBEE certificated if the tendering company is a Consortium, Joint Venture, or Trust (Issued by verification agency accredited by the South African Accreditation System). • Agreement for a Consortium, Joint Venture, or Trust.
<p>The company owned by Women</p> <ul style="list-style-type: none"> • 100% company owned by women = 5 points • 75% - 99% company owned by women = 3 points • 60% - 74% company owned by women = 2 point • 51%- 59% company owned by women = 1 point • 0 - 50% company owned by women = 0 point 	5	



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POINTS	10	
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- c) The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- d) Bidders are required to complete the SBD 6.1 forms in order to claim preference points. Only a bidder who has completed and signed the declaration part of the SBD 6.1 preference points claim forms will be considered for preference points.
- e) The bidders must submit Identity Documents (ID), Central Supplier Database (CSD) and CIPC registration documents. These documents will serve as proof of ownership and directorship of the company.
- f) Failure on the part of a bidder to submit proof, signed SBD 6.1 and documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.
- g) The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made about preference.
- h) Points scored will be rounded off to the nearest 2 decimals.
- i) If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- j) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- k) Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- l) Failure on the part of the bidder to claim points for specific goals will give the bidder a score of zero (0).



PART 2: ADDITIONAL BID REQUIREMENTS

TERMS AND CONDITIONS

10.4.6 Counter Conditions

10.4.6.1 Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

10.4.6.2 The National Treasury reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date and time. The National Treasury and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.

10.4.6.3 If the National Treasury exercises its right to change or supplement information in terms of the above clause, it may seek amended bid documents from all bidders.

10.4.6.4 The department reserves the right to supplement the panel after award where necessary.

10.4.7 Fronting

10.4.7.1 The National Treasury supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background the National Treasury does not support any form of fronting.

10.4.7.2 The National Treasury, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry and Competition, be established during such enquiry / investigation, the onus will be on the bidder to prove that fronting does not exist.

10.4.7.3 Failure to do so by the bidder within a period of fourteen (14) days from date of notification by National Treasury may invalidate the bid / contract and may also result in the restriction of the bidder to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.

10.4.8 Right Of Award

10.4.8.1 The State reserves its following rights -

- a) Not to make any award in this bid or accept any bids submitted,
- b) Request further technical information from any bidder after the closing date,



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- c) Verify information and documentation of the bidder(s),
- d) Not to accept any of the bids submitted,
- e) To withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing of the bid and post award, and
- f) If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

10.5 **THIRD PARTY AGREEMENTS AND SUB-CONTRACTOR AGREEMENTS**

10.5.1.1 No agreement between the bidder and any third party will be binding to the State.

10.5.1.2 In the event that bidder intends using sub-contractors to execute the Contract or part thereof, the bidder must note that it shall remain responsible and accountable for the completion of the work or delivery of services requirements.

10.5.1.3 The bidder must declare its intention to subcontract and the percentage of subcontracting thereof and must provide full description of subcontractor.

10.6 **SUBMISSION OF BIDS**

10.6.1 **ONLINE BID SUBMISSION**

10.6.1.1 Bidders must submit their bids online through the e-Tender Publication portal.

10.6.1.2 Manual or hardcopy bids are not acceptable.

10.6.1.3 The online e-Tender publication portal can be accessed on the following link:
<https://www.etenders.gov.za/>

10.6.1.4 Bidders to adhere to all the rules for the online bid submission.

10.6.1.5 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.

10.6.1.6 Non-compliance with online bid submission WILL invalidate the bidder's response.

10.6.1.7 Submit all bid queries via email to NTAdministrativeTenders@treasury.gov.za

10.7 **COMMUNICATION AND CONFIDENTIALITY**

10.7.1 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.

10.7.2 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees and advisors will not be liable with respect to any



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information communicated which is not accurate, current, or complete.

- 10.7.3 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the National Treasury an opportunity to consider what corrective action is necessary (if any).
- 10.7.4 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 10.7.5 All communication between the bidder and the National Treasury office must be done in writing as per the Contact Details below.
- 10.7.6 No representations made by or on behalf of the National Treasury in relation to this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered between the National Treasury and the successful bidder(s).
- 10.7.7 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process must keep the contents of the bid and other such information confidential and not disclose or use the information except as required for the purpose of developing a response to this bid.

10.8 **CONTACT DETAIL**

- 10.8.1 **Bid Enquiries:** - All enquiries should be in writing NTAdministrativeTenders@treasury.gov.za The closing date for receipt of all enquiries is 18 March 2026. All enquiries beyond the closing date will not be considered.



PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS

10.8.2 Once the evaluation process is complete there will be a recommendation report by the BEC to the Bid Adjudication Committee (BAC) who has the authority to either support (recommendation) or not support (recommendation) the recommendation/s to the Director General for appointment/s.

10.8.3 On approval of the recommendation/s and appointment/s, the successful bidder(s) will sign an acceptance letter together with the Service Level Agreement for preparation of financial recovery services for period of three (3) years as and when required.

10.9 Tax Compliance Requirements

10.9.1 It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

10.9.2 The Tax Compliance status requirements are also applicable to potential foreign bidders / individuals who wish to submit a bid.

10.9.3 It is a requirement that bidders grant a written confirmation when submitting this bid response that SARS may on an on-going basis during the tenure of the transversal contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

10.9.4 Bidders are required to be registered on the Central Supplier Database (CSD) and National Treasury shall verify the bidder's tax compliance status through the CSD or through SARS.

10.9.5 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD or through SARS.

10.10 NEGOTIATIONS

10.10.1 The State reserves the right to negotiate with the shortlisted bidders prior or post award. The terms and conditions for negotiations will be communicated to the shortlisted bidders prior to invitation to negotiations. This phase is meant to ensure value for money is achieved through the measure of quality that will assess the monetary cost of the goods or services against the quality and or benefits of that goods or services.

10.11 DUE DILIGENCE

10.11.1 The State reserves the right to:

10.11.1.1 Conduct due diligence during the evaluation process to determine the ability of the bidder to honour contractual obligations that might emanate from this tendering process. The due diligence is not only



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limited to the bidder but to all parties the bidder might have confirmed to do business with for the fulfilment of the contract that might be awarded.

10.11.1.2 Conduct due diligence prior to final award or at any time during the contract period and this may include pre-announced/ non-announced site visits. During the due diligence process the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

10.11.1.3 Conduct any evaluation verifications prior to final award or at any time during the contract term period.

SECTION C: CONDITIONS OF CONTRACT

MONITORING AND REPORTING

10.12 The appointment and management of the panel of service providers will be coordinated through the Municipal Finance Recovery Services unit located within the Inter-governmental Relations Division of the National Treasury.

10.12.1 All service provider(s) on the panel will for the duration of the preparation of the allocated FRPs report, report directly to the Municipal Finance Recovery Service unit.

10.12.2 It is expected that service provider(s) will avail themselves to discuss progress or any other matters related to FRP development at any time, either virtually, telephonically, or in person. Whilst all attempts will be made to provide ample notice of meetings, meetings with the affected municipalities are sometimes cancelled or postponed on very short notice by the municipality. Follow-up meetings to be arranged will try to consider travel times, availability of the service provider(s) and other related issues, however, follow-up meetings will have to be scheduled around the availability of the majority of stakeholders required for that meeting.

10.12.3 The successful bidder will be expected to provide services as and when required and acknowledges that their appointment with the panel does not guarantee allocation of work. Work will be allocated to service providers on a rotational basis to promote fair and reasonable distribution. This rotational allocation will consider the pricing submitted in response to each Request for Quotation (RFQ) and allocation of work, the outcomes of any applicable price negotiations, and the service provider's performance. The department reserves the right to rotate suppliers for each RFQ for work requirements.

10.12.4 National Treasury reserves the right to appoint or not to appoint during the RFQ process.

10.12.5 The service provider(s) must provide a detailed project implementation plan for the preparation of every FRP allocated to the service provider(s). This project implementation plan must be aligned to the timeframes specified in Section 6 of this document. Delays in deliverables by the service provider(s) will



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delay the FRP process and affect compliance. Service providers who continuously submit deliverables after the due date and non-adherence to the service level agreements will be issued with non-compliance letters and may be taken off the panel. Any amendment to a project implementation plan will only become effective after approval by the MFRS unit.

- 10.12.6 Any changes to the project team must be communicated immediately to the MFRS unit for consideration and approval in line with the minimum requirements as stipulated in Item 11 herein-above for technical evaluation criteria in respect of project team members. If a new resource is brought on board during preparation of the financial recovery plan, the resource must be vetted and approved by the MFRS unit before that resource may commence on a project.
- 10.12.7 Failure to replace a resource that meets the minimum requirements is grounds for termination of the award.

CONCLUSION OF SERVICE LEVEL AGREEMENT

- 10.13 The Contract/SLA between National Treasury and the Supplier(s) collectively referred to as Parties shall come into effect after the Supplier(s) have been issued with an unconditional letter of acceptance of their bids.
- 10.14 The preferred bidder(s) shall be appointed in terms of this bid. The Parties must ensure that the terms and conditions of the do Contract not contradict the provisions of this bid document. If the terms of the Contract contradict the provisions of this bid document to the extent that the duration, pricing as well as the good and/or services have changed in terms of this contract, such Contract shall be deemed not to be in terms of this NT004-2026 contract. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of the NT004-2026 contract.
- 10.15 The following will form part of the Contract documents between the Parties in as far as NT004-2026 is concerned:
- 10.15.1 Bid Documents,
- 10.15.2 Award Letters,
- 10.15.3 Contract/ Service Level Agreement, and
- 10.16 If there is any contradiction relation to all other matters,
- 10.16.1 Contract/ Service Level Agreement, and
- 10.16.2 Bid documents.



NATIONAL TREASURY CONTRACT PRICE ADJUSTMENT

10.17 There will be price adjustment on the price during the contract period.

10.18 OWNERSHIP OF DATA

10.18.1 All documents produced by the contractor, including its employees and agents, in the execution of this contract, shall be and remain the sole property of the state and any and all copyrights and ownership of all documents and data shall vest with the state.

10.19 INSPECTION AND AUDIT

10.19.1 The state reserves the right to inspect and audit any document pertaining to this SLA. This may also include queries and complaints. The contractor shall provide any assistance that may be required in this regard, free of charge. The cost of inspections and audits shall be borne by the National Treasury.

10.19.2 The state reserves the right to conduct performance and financial audits on the status of the contract, and the contractor shall provide any assistance that may be required in this regard, free of charge.

10.19.3 Should any audit or inspection reveal that the contractor has not complied with any of the terms of this contract.

DELAYS AND/OR UNSATISFACTORY PERFORMANCE

10.19.4 The contractor shall, at all times, ensure that it renders the services in accordance with the provisions of this contract and within the delivery times or periods as agreed to between the parties.

10.19.5 In a case where a contractor is unable to deliver or honour the contract, the provisions of paragraph 12.3 of the General Conditions of contract must be followed.

CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

10.20 Contract Administration

10.20.1 The administration and facilitation of the contract/SLA is the responsibility of National Treasury and all correspondence in this regard must be directed to NTAdministrativeTenders@treasury.gov.za

10.20.2 Suppliers must advise the Financial Management Chief Directorate: Supply Chain Management, National Treasury, immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

10.21 Contract Performance Management

10.21.1 Contract performance management will be the responsibility of National Treasury and where Supplier performance disputes cannot be resolved between the Supplier and the end-user/ project owner, National Treasury: Contract Management must be informed for corrective action.



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RISK MANAGEMENT

- 10.22 The contractor's systems and procedures shall incorporate both preventative and detective safeguards capable of preventing and detecting fraudulent transactions.
- 10.23 The contractor shall report in writing to the state any suspected irregularities involving an official, or any other person immediately upon the suspicion arising.
- 10.24 In terms of the operations of this contract, the contractor shall:
- 10.25 Take adequate steps (including rotation of staff where practical) to minimize the risk of collusion among its staff and/ or government officials.
- 10.26 Assist the state in investigating such irregularities by providing any information and/ or evidence that it may have. The information provided shall be sufficient to enable the state to institute investigations and / or take corrective action or institute disciplinary action against employees in the employment of the state.
- 10.27 Avail any of its staff at no additional cost to the state to assist in any investigations, disciplinary or criminal actions.
- 10.28 The contractor shall be liable for all costs or damages incurred by the state where:
- 10.29 Costs or damages are a result of irregularities involving the staff of the contractor.
- 10.30 Where preventative and detective safeguards failed.

DISPUTE RESOLUTION

- 10.31 In the event of any dispute arising from this contract, the Parties shall make every effort to settle such dispute amicably within a period of 7 (seven) days.
- 10.32 If the Parties (the contractor and end-user institution) are not capable of settling the dispute amicably, within a period of 7 (seven) days, such dispute shall be elevated to the National Treasury.

TERMINATION

- 10.33 **The State shall be entitled to terminate this agreement if one or more of the following occur: –**
- 10.33.1 The service provider decides to transfer the contract or cede the contract;
- 10.33.2 The service provider does not honour contractual obligations including submission of information;
- 10.33.2.1 The service provider is provisionally or finally liquidated, making it impossible for the service provider to perform its functions in terms of this Contract;
- 10.33.3 The service provider enters settlement arrangements with their creditors;



TERMS OF REFERENCE FOR NT004-2026 APPOINTMENT FOR A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF THREE (3) YEARS TO ASSIST THE MUNICIPAL FINANCIAL RECOVERY SERVICES UNIT WITH THE PREPARATION OF FINANCIAL RECOVERY PLANS AS AND WHEN REQUIRED

10.33.4 The service provider commits an act of insolvency;

10.33.4.1 In the event that the service provider is a member of an unincorporated joint venture or consortium and the membership of such joint venture or Consortium changes.

10.33.4.2 The State reserves its right to terminate the Contract in the event that there is a change in ownership of the service provider that has the effect that over 50% ownership of the service provider belongs to the new owner without prior written approval of the State.

10.33.4.3 Either Party may terminate this Contract for breach in the event that the other party fails to comply with any of its obligations in terms of this Contract and have failed to remedy such breach within fourteen (14) calendar day's written notice to remedy such non-compliance.

10.33.4.4 Notwithstanding the provisions above, either Party may terminate this Contract by giving the other Party 30 (thirty) days' written notice to that effect.

END