

## TENDER NOTICE AND INVITATION TO TENDER

The Elundini Local Municipality is Requesting for Proposals on the following services:

| PROJECT NAME                  | Contract Number     | Technical Enquires contacts                                              |
|-------------------------------|---------------------|--------------------------------------------------------------------------|
| Provision of Banking Services | ELM-2/001/2024-2025 | Ms F. Mbaliswana<br>Tel. 045 932 8123<br>E-mail: funekam@elundini.gov.za |

The Elundini Local Municipality is requesting for proposal that should be effectively and adequately, without ambiguity demonstrates how is it able to provide its services in order to be selected as a financial institution to provide Commercial Banking to the Municipality as the main banker for the period of five (5) years. The proposal should encompass key area of support and partnering i.e. innovation, high quality, value add solutions and pro-activity of its service models.

Contracts will be based on the National Treasury General Condition of Contracts. The bids will be evaluated on the basis of the Preferential Procurement Policy Framework Act, 2022, the Elundini Local Municipality's Supply Chain Management Policy and the 80/ 20 preferential procurement point system for acquisition of goods or services with Rand value equal to or below R50 million will be applied.

### Stage 1 of Evaluation: Eligibility Criteria

For the bidder to be evaluated further on functionality, following eligibility criteria must be met: -

| Quality Criteria                                                                                   | Evidence                                                |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Bidder must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990) | Bidders must submit certificate confirming registration |

**Bidders with non-compliant with the above Eligibility Criteria will be disqualified and not be considered for further evaluation**

### Stage 2 of Evaluation: Functionality

| Criteria for Functionality            | Maximum Points Allocated |
|---------------------------------------|--------------------------|
| Technological Potential               | 45 Points                |
| Presence within Elundini Municipality | 15 Points                |
| Relationship/Account Executive Team   | 20 Points                |
| Project Methodology                   | 20 Points                |
| <b>TOTAL</b>                          | <b>100 points</b>        |

A minimum score of 70% out of total points must be score in order to proceed to the Financial Evaluation in all of the above bids.

**Specific Goals for this bid are as follows:**

**If you are aware of any instances of fraud or corruption in the municipality, report anonymously to Freecall: 0800 117844 | SMS 32840 | Email: elundini@tip-offs.com | Freepost: KZN138 Umhlanga Rocks 4320**  
**All correspondence must be addressed to the Municipal Manager**

| The specific goals allocated points in terms of this tender | Number of points claimed (80/20 system) (To be completed by the organ of state) | Proof to claim points                                                                                     |
|-------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>Tender Price</b>                                         | <b>80</b>                                                                       |                                                                                                           |
| EME or QSE which is at least 51% owned by black people      | = 20 Points                                                                     | Company Registration Document and Certified B-BBEE Certificate or Original Sworn Affidavit and CSD Report |
| <b>Total (Specific Goals)</b>                               | <b>20 Points</b>                                                                |                                                                                                           |

**Bidder that fail to submit proof of specific goal as stipulated above will not be allocated points.**

#### **PURCHASING AND SUBMISSION OF TENDER DOCUMENTS.**

Tender documents may be obtained from the Elundini Local Municipality SCM Unit upon payment of a non-refundable amount of R250 (two hundred and fifty Rand), either paid in cash or by means of electronic funds transfer (EFT) to the Elundini Local Municipality (Where EFT is used, proof of payment must be sent to [kwaneles@elundini.gov.za](mailto:kwaneles@elundini.gov.za)). The cash amount is to be paid at the cashier's office between the hours of 08:00 and 16:00, prior to the collection of the tender documents from the SCM unit. ELM Cahier's office is situated at Elundini Traffic department, ERF 3503 Station Street, Nqanqarhu, 5480.

The tender documents will be available on **Thursday, 18 July 2024**. NB: For EFT payment bidders must pay using this account: First National Bank (FNB) cheque account No: 62159933772, Ref No. 020114350000.

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with Project Name and Bid Number. At the back of the envelope bidders must write the bidder's name and address. Bid submission must be delivered to the Elundini Local Municipality, at No. 1 Seller Street, Nqanqarhu, Finance Department. The tender documents must be placed in the Tender Box not later than 12H00 Noon on **Thursday, 19 September 2024** and will be opened in public.

Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup. Enquiries relating to SCM may be addressed to Ms. H. Mdusulwana, Tel N0. 045 932 8125 or email: [hlubikazi@elundini.gov.za](mailto:hlubikazi@elundini.gov.za). Telegraphic, telephone, telex, facsimile, e-mail and late tenders will not be accepted.

Tenders may only be submitted on the prescribed tender documentation that is sold at R250.00 and proof of payment must be attached on the bid submission. Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data and tender documents.

The minimum terms of reference, scope of work, detailed functionality, other bid conditions and rules will be uploaded on ELM website [www.elundini.gov.za](http://www.elundini.gov.za) and detailed in the bid document under Tender Data. The Elundini Local Municipality SCM policy applies. Tender validity period is 12 weeks.

Tenders must request clarification on the tender documents, if necessary, by notifying the employer at least 5 (five) working days before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.

There are scammers phoning bidders impersonating municipal staff soliciting bribes for tender. Please do not fall for that scam. Report any fraud or corruption to Freecall: 0800 117844 or sms to 32840 for anonymously.

  
**JACK MDANI**  
**MUNICIPAL MANAGER**

# BID CONDITIONS AND INFORMATION

| Clause number | Tender Data                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1             | The employer is the Elundini Local Municipality                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2             | The tender documents issued by the employer comprise the documents listed on the contents page                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3             | <p><b>The employer's representative is:</b><br/> Name: Mrs F Mbaliswana<br/> Elundini Local Municipality<br/> 1 Seller Street, Nqanqarhu, 5480.<br/> Tel No.: 045 932 8123<br/> Fax No.: 045 932 1094<br/> E-mail: <a href="mailto:funekam@elundini.gov.za">funekam@elundini.gov.za</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4.            | The language for communications is English                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 5             | <p>Elundini Local Municipality bidding process in the context of this bid is administered by ELM Supply Chain Management Policy , MFMA Act 56 of 2003 , MFMA SCM Regulations , POPI Act and shall act in accordance with the said legislative prescripts including other relevant legislative framework governing SCM.</p> <p>The General Conditions of Contract as well as any Special Conditions of Contract that may form part of this set of bid documents will be applicable to this bid in addition to the conditions of bid.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 6             | The successful bidder will be expected to sign the service Level agreement within 30 days from the date of notification by the Elundini Municipality that his/her bid has been accepted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 7             | <b>Tenderer's Obligations</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 7.1           | <p>Only tenderers who satisfy the following eligibility criteria <b>and who have provided the required evidence in their tender submission</b> are eligible to have their bid offers evaluated:</p> <ol style="list-style-type: none"> <li>JV Eligibility requirements: <ul style="list-style-type: none"> <li>Incorporated Joint Venture that complies with the Companies Act and other relevant laws and regulations.</li> <li>A Joint venture must submit a consolidated valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE.(This will not disqualify bidders but points for B-BBEE will not be allocated)</li> <li>Submit Joint Venture agreement in the case of joint venture.</li> <li>Fully completed Compulsory Returnable Documents for JV</li> </ul> </li> <li>Directors or company is not in the Treasury's database of restricted suppliers</li> <li>JV to be Incorporated Joint Venture in terms of Companies Act 2008 and contract law.</li> </ol> |

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| 7.2 | <ul style="list-style-type: none"> <li>Tenderer must submit one (1) hard copy of the original tender document in the prescribed format at tender submission deadline failure to do so, the tenderer will be disqualified. Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup.</li> <li>Tender document must be in the original format, not tempered with and must be only purchased at the Elundini Local Municipality</li> <li>Bidders must submit their offer on the prescribed tender document as purchased at R250.</li> <li>Proof of payment for tender document must be attached</li> <li>Should bidder fail to submit as per prescribed bid document, bidder will be disqualified.</li> <li>All bids must be submitted on the official forms (not to be re-typed/ reproduced) Bids must be completed in black ink.</li> </ul> |
| 7.3 | No bids will be considered from persons in the service of the state                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 8   | The tenderer accepts that, unless otherwise stated in the tender data, the employer does not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer comply with requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 9   | It is the responsibility of the tenderer to check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 10  | The tenderer must record and reference all information submitted contained in other documents for example cover letters, brochures, catalogues, etc. in the returnable schedule titled <b>"List of Other Documents Attached by Tenderer"</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 11  | Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 12  | The tenderer shall obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are incorporated into the tender documents by reference.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 13  | Acknowledge receipt of addenda to the tender documents, which the employer may issue, and, if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 14  | <p>Please note that if the tender stipulates that a site/clarification meeting is mandatory/compulsory; then suppliers must attend such meeting. Those suppliers who do not attend such mandatory/compulsory meeting will be disqualified and will not be evaluated.</p> <p>Where compulsory briefing is applicable, tenderers will be obligated to sign the attendance list in the name of the tendering entity. In that case, any Addenda issued to tenders will be received only from those tendering entities appearing on the attendance list.</p>                                                                                                                                                                                                                                                                                                                                                  |
| 15  | <p>Tenderers must request clarification on the tender documents, if necessary, by notifying the employer at least <b>5 (Five) working days before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.</b></p> <p>Bidders shall not contact the Elundini Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded for additional information or amendments of bids. Any effort by the firm to influence the Elundini Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.</p>                                                                                                                                                                                               |
| 16  | Tenderers are required to state the rates and currencies in Rands. Include in the rates, prices, and the tendered total of the prices (if any), all duties, taxes which the law requires to be paid [except value added tax (VAT)], and other levies payable by the successful tenderer, that are applicable 14 days before the closing time stated in the tender data. Show the VAT payable by the employer separately as an addition to the tendered total of the prices. Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data. State the rates and prices in monetary value of the contract unless otherwise instructed in the tender data                                                                                                                     |

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| 17 | <p>If after the commencement of the Contract, the cost or duration of the services is altered as a result of changes in, the amount of the main contractor or contract amount from which estimate were based, or amounts or additions to, any statute, regulation or by-laws, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 90 days of first having become aware of the change, the Contractor furnished the Employer with detailed justification to the Price or Period of the Performance (or both).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 18 | <p><b>Alterations to the documents</b></p> <p>Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer or to correct errors made by the tenderer and ensure that all signatories to the tender offer initial all such alterations. Do not make erasures using masking fluid.</p> <p>No unauthorised alteration of this set of bid documents will be allowed after the closing date. Any unauthorised alteration will disqualify the proposal automatically. Any ambiguity has to be cleared with contact person for the bid before the closure date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 19 | <p><b>Signatory</b></p> <p>A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.</p> <p>A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 20 | No alternative tender offers will be considered                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 21 | Parts of each tender offer communicated on paper shall be submitted as an original. No copies are required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 22 | Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 23 | <p><b>Tax Clearance Certificate</b></p> <p>Bidder must submit a valid SARS Tax Clearance Certificate or/and a tax compliance status document reflecting the pin for the Employer to verify that the tenderer is in good standing.</p> <p>Certified copy of a tax clearance certificate is still required by Foreign suppliers (with a footprint in South Africa- but who are not on CSD and have not provided a SARS pin number ) and Local suppliers (who have not provided their SARS e-filing PIN number for verification by Elundini Local Municipality and/or their CSD profile / CSD number) . Foreign suppliers (even those with no deemed footprint in South Africa) must still complete the relevant section in Part A of the MBD1 document, however, no proof of tax compliance is required if the supplier answers "no" to all questions. If they answer "yes" to any of the questions, however, they are required to register and be tax compliant as per Part B- section 2 of the MBD 1 document and relevant legislation governing tax compliance.</p> <p>Upon submission of a bid/quote/proposal the bidder automatically grants confirmation that SARS may, on an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality.</p> <p>Each party to a Consortium/Joint Venture shall submit a separate valid Tax Clearance Certificate and must be compliant with SARS</p> <p>Prices must always be VAT inclusive where applicable.</p> |
| 24 | <p><b>Registration on Accredited Supplier Database</b></p> <p>It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register online (<a href="http://www.csd.gov.za">www.csd.gov.za</a> ) and verify their company information Elundini Municipality Database Department. The Elundini Municipality reserves the right not to award proposals to prospective suppliers who are not registered on the CSD (Central Supplier Database).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 25 | <p><b>BBBEE Certificate</b></p> <p>For the proof of B-BBEE status level of contributor the bidder must submit an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (<a href="http://www.sanas.co.za/afdirectory/bbbee_list.php">www.sanas.co.za/afdirectory/bbbee_list.php</a>) or original or certified completed AFFIDAVIT downloaded from <a href="http://www.thedti.gov.za/economic_empowerment/bee_codes.jsp">www.thedti.gov.za/economic_empowerment/bee_codes.jsp</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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| 26 | <p><b>Municipal Rates, Taxes and Charges</b></p> <p>The bidder to provide their municipal account of rates and taxes of both the Bidding entity and its directors' in its Bid Document submission. Any bidder which is or whose directors are in arrear with their municipal rates and taxes due to any Municipality within South Africa for more than three months and have not made an arrangement for settlement of or same before the bid closure date will be disqualified.</p> <p>If the bidder is renting the office a Lease Agreement must be attached to the bid document OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward Councilor is submitted with the tender document.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 27 | <p>Tenderer must put initials at the bottom of each page of the tender document as proof that the bidder has reviewed and agreed to the contents of the tender data. This also prevents and ensures that various parties involved do not change and / or replace any page and modify the contents after the submission of the tender.</p> <p>Tenderer must sign the original and all copies of the tender offer where required in terms of the tender data.<br/>NOTE: The employer holds all authorized signatories liable on behalf of the tenderer.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 28 | <p>The employer's details and address for delivery of tender offers and identification details that are to be shown on each tender offer package are:</p> <p><b>Location of tender box:</b> Elundini Local Municipality<br/>Finance Department</p> <p><b>Physical address:</b> 1 Seller Street<br/>Nqanqarhu<br/>5480</p> <p><b>Identification details :</b> Tender no, Title of Tender and the closing date and time for tenders<br/> <b>Closing Date :</b> Thursday, 19 September 2024<br/> <b>Closing Time :</b> 12H00</p> <p><b>The tender box is only open on weekdays between 08:00 and 16:00</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 29 | <p>Where a <b>two-envelope system</b> is required in terms of the tender conditions, place and seal the returnable documents listed in the tender conditions in an envelope marked "<b>financial proposal</b>" and place the remaining returnable documents in separate envelope marked "<b>technical proposal</b>". Each envelope shall state on the outside the Elundini Municipality's address and identification details of the bid, as well as the tenderer's name and contact address.</p> <p>Accept that the Elundini Municipality shall not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.</p> <p>Where stated in the tender conditions that a two-envelope system is to be followed, open only the technical proposal of tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender conditions and announce the name of each tenderer whose technical proposal is opened.</p> <p>Employer shall evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who have submitted responsive technical proposals of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who have submitted responsive technical proposals in accordance with the requirements as stated in the tender conditions, and announce the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals were non-responsive.</p> |
| 30 | Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 31 | The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 32 | The tender offer validity period is <b>12 weeks</b> . The validity of bids may be further extended by a period of not more than six months upon approval by the Accounting Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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| 33 | <p>The tenderer shall provide clarification of a tender offer during the evaluation of tender offers, in response to a request from the employer to do so.</p> <p>Such clarifications can include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.</p> <p>Note: This clause does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Elundini Municipality elect to do so. Failure, or refusal, to provide such clarification or additional information within the time for submission stated in the Elundini Municipality's written request may render the tender non-responsive.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 34 | <p>The employer shall grant during working hours to premises for inspections, tests and analysis, as provided for in the tender data.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 35 | <p>A tenderer may request in writing, after the closing date, that the tender offer be withdrawn.</p> <p>Such withdrawal will be permitted or refused at the sole discretion of the Elundini Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the tenderer in such written request for withdrawal. Should the tender offer be withdrawn in contravention hereof, the tenderer agrees that:</p> <ul style="list-style-type: none"> <li>• it shall be liable to the Elundini Municipality for any additional expense incurred or losses suffered by the Elundini Municipality in having either to accept another tender or, if new tenders have to be invited, the additional expenses incurred or losses suffered by the invitation of new tenders and the subsequent acceptance of any other tender;</li> <li>• the Elundini Municipality shall also have the right to recover such additional expenses or losses by set-off against monies which may be due or become due to the tenderer under this or any other tender or contract or against any guarantee or deposit that may have been furnished by the tenderer or on its behalf for the due fulfilment of this or any other tender or contract. Pending the ascertainment of the amount of such additional expenses or losses, the Elundini Municipality shall be entitled to retain such monies, guarantee or deposit security for any such expenses or loss.</li> </ul> |
| 36 | <p><b>Samples, Inspections, tests and analysis</b></p> <p>Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender conditions or specifications.</p> <p>If the Specification requires the tenderer to provide samples, these shall be provided strictly in accordance with the instructions set out in the Specification.</p> <p>If such samples are not submitted as required in the bid documents or within any further time stipulated by the Elundini Municipality in writing, then the bid concerned may be declared non-responsive.</p> <p>The samples provided by all successful bidders will be retained by the Elundini Municipality for the duration of any subsequent contract. Bidders are to note that samples are requested for testing purposes therefore samples submitted to the Elundini Municipality may not in all instances be returned in the same state of supply and in other instances may not be returned at all.</p> <p>Unsuccessful bidders will be advised by the Project Manager or dedicated ELM Official to collect their samples, save in the aforementioned instances where the samples would not be returned.</p>                                                                                                                                                                                                                                                                        |
| 37 | <p><b>Compliance with Occupational Health and Safety Act, 85 of 1993</b></p> <p>Tenderers are to note the requirements of the Occupational Health and Safety Act, 85 of 1993. The Tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith.</p> <p>In this regard the Tenderer shall submit upon written request to do so by the Elundini Municipality, a Health and Safety Plan in sufficient detail to demonstrate the necessary competencies and resources to deliver the goods or services all in accordance with the Act, Regulations and Health and Safety Specification.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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| 38   | <p><b>Claims arising from submission of tender</b></p> <p><b>The tenderer warrants that it has:</b></p> <ul style="list-style-type: none"> <li>inspected the Specifications and read and fully understood the Conditions of Contract.</li> <li>read and fully understood the whole text of the Specifications and Price Schedule and thoroughly</li> <li>acquainted himself with the nature of the goods or services proposed and generally of all matters which may influence the Contract.</li> <li>visited the site(s) where delivery of the proposed goods will take place, carefully examined existing conditions, the means of access to the site(s), the conditions under which the delivery is to be made,</li> <li>and acquainted himself with any limitations or restrictions that may be imposed by the Municipal or other Authorities in regard to access and transport of materials, plant and equipment to and from the site(s) and made the necessary provisions for any additional costs involved thereby.</li> <li>requested the Elundini Municipality to clarify the actual requirements of anything in the Specifications and Price Schedule, the exact meaning or interpretation of which is not clearly intelligible to the Tenderer</li> <li>Escalations and escalations rates are clearly disclosed.</li> <li>received any notices to the tender documents which have been issued in accordance with the Elundini Municipality's Supply Chain Management Policy.</li> </ul> <p><b>The Elundini Municipality will therefore not be liable for the payment of any extra costs or claims arising from the submission of the tender.</b></p> |
| 39   | <b>Employer's Undertaking</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 40.1 | The employer will respond to requests for clarification received up to Five (5) working days before the tender closing time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 40.2 | <p>The employer shall issue addenda until before tender closing time</p> <p>If necessary, the employer shall issue addenda in writing that may amend or amplify the tender documents to each tenderer during the period from the date the tender documents are available until Five (5) working days before the tender closing time stated in the Tender Data. The Employer reserves its rights to issue addenda less than Five (5) working days before the tender closing time in exceptional circumstances. If, as a result a tenderer applies for an extension to the closing time stated on the front page of the tender document, the Elundini Municipality may grant such extension and, shall then notify all tenderers who drew documents.</p> <p>Notwithstanding any requests for confirmation of receipt of notices issued, the tenderer shall be deemed to have received such notices if the Elundini Municipality can show proof of transmission thereof via electronic mail, facsimile or registered post.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 40.3 | <p>Tenders will be opened immediately after the closing time for tenders as stated in the Tender Notice and Invitation to Tender. If requested by any bidder present, names of the bidders, and if practical the total amount of each bid and of any alternative bids will be read out loud.</p> <p>Bids received in time recorded and entered in a register which is open for public inspection.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 40.4 | Late bids will be registered and returned unopened unless the bidder did not clearly specify their address at the back of the envelope.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 40.5 | The employer or any of its employees must not disclose to tenderers, or to any person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 40.6 | Make available a record of the details announced at the tender opening meeting on the Elundini Municipality's website ( <a href="http://www.elundini.gov.za">www.elundini.gov.za</a> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 40.7 | <p>Bids must be evaluated in terms of their responsiveness to the bid specifications, requirements as well as criteria as set out in the bid document.</p> <p>Any additional criteria as per communicated addendum shall be considered.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|      | <p>The Elundini Municipality reserves the right to withdraw any invitation to submit a bid and/or to re-advertise or to reject any bid or to accept a part of it.</p> <p>The Elundini Municipality does not bind itself to accepting the lowest bid</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 40.8 | <p>Determine, after opening and before detailed evaluation, whether each tender offer that was properly received</p> <ul style="list-style-type: none"> <li>a) complies with the requirements of the standard conditions of tender in this part</li> <li>b) has been properly and fully completed and signed, and</li> <li>c) is responsive to the other requirements of the tender documents.</li> </ul> <p><b>A responsive tender</b> is one that conforms to all the terms, conditions, and scope of work of the tender documents, without material deviation or qualification. A <b>material deviation or qualification</b> is one which, in the employer's opinion, would</p> <ul style="list-style-type: none"> <li>a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the scope of work,</li> <li>b) significantly change the employer's or the tenderer's risks and responsibilities under the contract, or</li> <li>c) affect the competitive position of other tenderers presenting responsive tenders if it were to be rectified.</li> </ul> <p>Reject a non-responsive tender offer, and do not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.</p> |
| 40.9 | <p><b>Due Diligence</b></p> <p>The municipality will conduct intense due diligence which must include inspection of the claimed experience of the preferred bidder(s).</p> <p>The municipality will provide due diligence form which will be used for the assessment purposes of the claimed project experience.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

**Pricing****Arithmetical errors, omissions and discrepancies**

Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

If pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as tendered shall govern, and the unit rate shall be corrected.

Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if Price Schedules apply) to achieve the tendered total of the prices.

Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of the arithmetical error in the manner described above.

**Other**

For Vat related discrepancies, National and Provincial Treasury prescripts in relation to VAT procedures apply.

Unconditional discounts must be taken into account for evaluation purposes

The Employer must evaluate whether tender has offered a market related offer. If the offer is believed not to be market related, the Municipality through its Supply Chain Management bid committees will attempt to negotiate the offer with identified bidder/s to a reasonable amount. Bidders are not allowed to increase their tender offers during this process

In the event of tendered rates or lump sums being declared by the Elundini Municipality to be unacceptable to it because they are not priced, either excessively low or high, or not in proper balance with other rates or lump sums, the tenderer may be required to produce evidence and advance arguments in support of the tendered rates or lump sums objected to. If, after submission of such evidence and any further evidence requested, the Elundini Municipality is still not satisfied with the tendered rates or lump sums objected to, it may request the tenderer to amend these rates and lump sums along the lines indicated by it.

The tenderer will then have the option to alter and/or amend the rates and lump sums objected to and such other related amounts as are agreed on by the Elundini Municipality, but this shall be done without altering the tender offer in accordance with this clause. Should the tenderer fail to amend his tender in a manner acceptable to and within the time stated by the Elundini Municipality, the Elundini Municipality may declare the tender as non-responsive.

Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions.

All prices must include VAT where applicable

The Elundini Municipality may, after the closing date, request additional information or clarification from tenderers, in writing on any matter affecting the evaluation of the tender offer or that could give rise to ambiguity in a contract arising from the tender offer, which written request and related response shall not change or affect their competitive position or the substance of their offer. Such request may only be made in writing by the delegated official using any means as appropriate and such communication must be approved by the Accounting Officer.

**EVALUATION OF TENDER OFFERS****STAGE 1: TEST FOR RESPONSIVENESS****a) PHASE 1 OF STAGE ONE: MANDATORY DOCUMENTS AND REQUIREMENTS**

Bidders' proposals must meet the following minimum requirements and supporting documents must be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. Failure to comply with the following conditions shall lead to bidder being non-responsive.

1. Bid Document (This Document) must be purchased at a prescribed amount only at Elundini Local Municipality and must be submitted in its original format and not retyped.
2. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. Bidders must submit a copy of the Central Supplier Database report showing, amongst other things, that tax matters of the service provider are in order with the South African Revenue Services OR CSD Supplier number in order for the municipality to be able to verify CSD registration.
4. Form of offer and Acceptance (fully completed and signed) where applicable
5. Invitation to bid must be completed and signed. MBD 1
6. Declaration of Interest (fully completed and signed) MBD 4
7. Preference Points Claim form in terms of the Preferential Procurement Regulations 2022 (fully completed and signed) MBD 6.2
8. Declaration of Bidder's past Supply Chain Management Practices. (Completed and signed) MBD 8
9. Certificate of Independent Bid Determination. (Completed and signed) MBD 9
10. Authority of Signatory (Completed and signed)
11. Where applicable a proof of attendance of clarification meeting, an attendance register will be circulated for record purposes.
12. On financial Proposal: All Items listed in the Bills of Materials or Pricing schedule must be priced for failure to do so will increase commercial risk of the bid and may lead to elimination or passing over of the bidder.
13. If the offer (any of the items quoted for) is "Vat Inclusive", the VAT registration number of service provider must be indicated. Bidders are not entitled to claim the VAT if they are not VAT registered.

**b) BIDDERS MUST ALSO CONSIDER ADHERING TO THE FOLLOWING CONDITIONS OF BID :-**

1. Bidders must be a registered legal entity or partnership or consortia or joint ventures with a signed agreement in place with a consolidated BBBEE Certificate.
2. Bidders must submit Elundini Municipality Ethics Commitment form for Suppliers (Completed and signed)
3. A valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically result in the non-awarding of points for B-BBEE. (This is not an Elimination factor).
4. A Resolution of signatory form has been completed and signed by director/s or a letter bearing a letterhead of the tenderer has been attached (specific to this bid) to the bid submission; it must be duly signed by all directors and submitted with the bid. Only a duly authorized official can sign the bid.
5. Bidders must complete and sign Elundini Municipality Supplier Declaration Form
6. Bidders must complete past experience form.

**PHASE 2 : OF STAGE ONE: ELIGIBILITY CRITERIA**

**BIDDERS WHO ARE NON-COMPLIANT WITH THE FOLLOWING ELIGIBILITY CRITERIA WILL BE DISQUALIFIED AND NOT BE CONSIDERED FOR FURTHER EVALUATION**

| Quality Criteria                                                                                   | Evidence                                                |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Bidder must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990) | Bidders must submit certificate confirming registration |

# **Terms of Reference for Provision of Banking Services for Elundini Local Municipality for the Period of Five (5) Years**

## **1. Project Background**

The Elundini Local Municipality is managed within the framework of the Municipal Finance Management Act (Act 56 of 2003) and:

- Represent, promote and protect the interests of local government;
- Transform the municipality to enable it to fulfil its developmental role;
- Enhance the role and status of the municipality representatives of local government.
- Enhance the role and status of the municipality;
- Be recognized by national and provincial governments to be representative in respect of all matters concerning local government and to make representations to both provincial and national governments in respect of any matter concerning local government;

## **TERMS OF REFERENCE**

The Elundini Local Municipality is managed within the framework of the Municipal Finance Management Act (Act 56 of 2003) and:

- ✓ Represent, promote and protect the interests of local government;
- ✓ Transform the municipality to enable it to fulfil its developmental role;
- ✓ Enhance the role and status of the municipality representatives of local government.
- ✓ Enhance the role and status of the municipality;
- ✓ Be recognized by national and provincial governments to be representative in respect of all matters concerning local government and to make representations to both provincial and national governments in respect of any matter concerning local government;

## **1.1 INSTRUCTION TO BIDDERS**

### **General Instructions**

This document constitutes a Request for Proposal (RFP), which specifies Elundini's requirements for banking services. The information contained herein provides a format to facilitate bidder's responses to this RFP. It is important that the format be followed closely to help maintain the decision-making timetable. Responses must be presented in the same order as the requirements appear, section by section, and numbered accordingly, with acknowledgement of all clauses. All pricing information should be fully disclosed with all charges clearly defined, i.e. a per unit fee based on activity, a flat monthly or annual fee for specific services detailed. Please feel free to address any other potential services not specifically mentioned in this RFP that may be of benefit to the Elundini Local Municipality (ELM).

### **Objectives**

The ELM objective in the call for proposals is to select a financial institution to provide Commercial Banking to the Municipality as the main banker.

### **1.2 Terms of Contract**

The term of the contract will be for five (5) years and will take effect on 1 July 2025. The contract may be extended by mutual agreement. Ninety (90) days written notice must be given if either parties are to terminate the agreement at the contract's expiry date.

### **1.3 Questions during Proposal Process**

Enquiries regarding this RFP should be directed to Ms. H. Mdzulwana, SCM Manager, located at the SCM Office on (045) 932-8125. Questions will only be taken during working hours from 08H00 to 16H30, Monday to Friday.

Technical enquiries in respect of the banking services tender, may be directed to Ms F Mbaliswana at (045) 932-8123

Bidders finding apparent discrepancies or omissions in the RFP should notify Mrs Funeka Mbaliswana.

Bidders may during the bidding period, be advised by Addendum, of any additions, clarifications, deletions or alterations to these specifications. All such changes should be covered by the bidders' proposal. Information used in the preparation of a proposal from other than this RFP and any written addendum (considered as the proposal documents) will not be considered as valid or official.

No further addendum will be issued by Elundini after 12h00, four business days prior to RFP closing without providing an extension of time.

#### **1.4 Submission of Proposal**

Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CS as a precautionary backup:

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with Project Name and Bid Number. At the back of the envelope bidders must write the bidder's name and address. Bid submission must be delivered to the Elundini Local Municipality, at No. 1 Seller Street, Nqanqarhu, Finance Department. The tender documents must be placed in the Tender Box not later than 12H00 Noon on the above mentioned dates and will be opened in public.

Bidders remain solely responsible for the method of conveyance of their proposal to the receiving point. Fax transmissions or any other electronic communications are not acceptable.

Elundini will not be responsible for any costs incurred by the bidders associated with the preparation of responses to the RFP.

Proposals will be opened in public.

All proposals will remain in force and will be irrevocable for ninety days after the proposal closing.

Proposals shall be stipulated sums without escalator clauses or other qualifications.

#### **1.5 Evaluation Criteria and Process**

Proposals will be evaluated in accordance with the preferential procurement Policy Framework Act (PPFA), using the 80/20 split against the following categories: Electronic Banking Services, Interest Rate Structure on Loans and Operating Account Balances, Payroll Direct Deposit Services, Bank Service Charges (if any) and the Provision of Ancillary Services. Consideration will be given to the bidder's ability to provide information on innovative services and products providing cost efficient alternatives to Elundini Municipality's current operations.

A Bid Evaluation Committee will review and evaluate the proposal. Elundini Municipality reserves the right to call the bidder(s) to come and make presentation(s) at no cost whatsoever to the Municipality. The purpose of the presentation(s) is to provide clarification and answers to questions by the Bid Committee(s).

Elundini Municipality reserves the right to accept any proposal submitted, or reject all proposals.

Any proposal submitted, that is not in complete compliance with the requirements of the proposal documents may be accepted or disqualified, at the option of Elundini Municipality.

Please outline in your proposal the assistance your bank is prepared to provide, in terms of migration, in order to meet the scheduled 1 July 2025 date for the full implementation of services.

#### **1.6 Termination of Contract**

Elundini Municipality reserves the right to terminate the agreement with 90 days written notice to the bank subject to the following:

the bank fails to perform in accordance with the specified service requirements as set out in the RFP;

the bank fails to provide any product or service as defined under part 3 below without written explanation; and

the bank otherwise violates the provisions of the RFP to a substantial degree.

## **Liability**

Elundini Municipality will not be held liable for any actions of the bank and /or its employees.

## **2. BIDDER QUALIFICATIONS**

To be considered a candidate for the provision of banking services for Elundini, bidders must:

be approved by National Treasury after 1 April 2001; in terms of section 7 of the Municipal Finance Management Act, the Act (MFMA);

Maintain/Service branch office(s) within Elundini Municipality; and

Have the ability to provide electronic direct deposit payroll services to Elundini Municipality employee accounts at the financial institution(s) of their choice.

## **3. SERVICE REQUIREMENTS (SPECIFICATIONS)**

### **Background Information**

Elundini Municipality revenues are derived from two major sources and are received according to the following schedule:

Revenue collections; and Government grants

Elundini Municipality expenditures are incurred from two major sources and are expensed according to the following schedule:

Salaries and benefits for Elundini employees represent 30% of the expenditure budget.

All other expenditure flow through the purchasing and accounts payable process and are paid on the basis of terms of contract and/ or invoice.

### **Introduction**

The Bidders proposal should be effectively and adequately, without ambiguity demonstrates how it is able to provide its services to Elundini Municipality. The proposal should encompass key areas of support and partnering i.e. innovation, high quality, value-add solutions and pro-activity of its service models.

The requirements of Elundini Municipality are that the successful Bidder is able to provide the following:

An efficient and cost effective current account administration service;

Enhanced business processes for improved efficiencies resulting in reduced costs;

Processes and controls to mitigate operational risk and fraud;

A complete banking service to Elundini Local Municipality;

The phased-in implementation of the conversion interface with the successful Bidder;

The provision of appropriate skills training in all spheres of financial services as required by Elundini Municipality; and

The ability to handle large volume transactions.

**The proposed solutions should be discussed under the following headings in the tender document requested from the Bidders i.e.**

Transitional Banking Services (item 3.1)

Electronic Banking Services (item 3.2)

Cash Management Services (item 3.3)

Payroll Direct Deposit Services (item 3.4)

Implementation and Training (item 3.5)

Relationship/Account Executive Team (item 3.6)

Additional Banking facilities for Elundini staff (item 3.7)

Other Services (item 3.8)

Pricing is to be completed on the template provided and all additional costs that the Bidder foresees will be incurred by Elundini Municipality are to be included as an appendix to the tender document.

## **LOCATION OF BANK BRANCHES**

Elundini Municipality's bank accounts are to be maintained in the jurisdiction of Elundini Municipality, offering a full range of services and within Maclear Offices.

In addition, Elundini Municipality's offices require access to a bank branch network in order to withdraw cash for petty cash purpose.

## **TRANSACTIONAL BANKING SERVICES**

The required bank account categories are as follows:

Main account (item 3.4.1)

Sub Account to the Main account (Call Account 3.4.2)

Petty Cash account (3.4.3)

The above mentioned accounts should comprise the following:

Daily sweeping from Sub-Account to Main Account (when overdrawn); and

Deposit identifier:

### **3.4.1 Main Current Account**

The majority of Elundini's financial business will be conducted through this account. Payments to vendors will be made using this account. Receipts of government grants are received via this account. Elundini currently access daily reports on the activity on this account via an internal portal with user security. A summary of the Main Current Account activity and average annual volumes is as follows:

EFT payments : approximately 15 000

Debit Orders: approximately 120

Bank Statements: Daily and Monthly online access

Account Services: Cheque certification and annual audit verification

### **3.4.2 Sub Account to the Main Account (Call Account)**

Receipts for investments are deposited into this account. Funds will be transferred from the Investment Account to the main Cheque Account as needed. A summary of activity and average annual volumes is as follows:

Receipts: approximately 600

Bank Statements: Daily on line access and Monthly statements with all other documentation

Account Service: Annual audit verification

### **3.4.3 Petty Cash Accounts**

All cheques issued for petty cash purposes must be linked to this bank account. Funds will be transferred from the Main Cheque Account to the Petty Cash Account as needed. All Elundini offices must be able to withdraw cash for petty cash purposes at a specific branch.

NB: Please provide details on available services including the interest rate structure on account balances, service charges (if any) and a complete

listing of branch locations in close proximity to Elundini Municipality's offices.

### **3.5 ELECTRONIC BANKING SERVICES**

#### **3.5.1 Introduction**

Elundini Municipality currently has an access to a variety of electronic cash management services allowing for the monitoring of Elundini Municipality's daily activities in each of its operating accounts. Current services utilised include daily balance and transaction reporting, cheque reconciliation, electronic funds transfer for payments.

Elundini Municipality expects the successful Bidder to understand and identify its needs and to provide innovative solutions.

The requirement is the ability to use real systems that provide cash management: payment and receipts solutions. These must have built in efficiencies where there is a clear reduction in cost with regard to Elundini Municipality's administration and accounting functions; improved controls with the result being in a reduction in operational risk and fraud.

#### **3.5.2 Payment management**

The Bidder should be able to facilitate, secure and timely movement of funds, and meet Elundini's requirements in respect of EFT's for all salaries; creditors; and other payments

The following are imperatives for management of payments:

Timely and secure processing of all transactions.

Ability to interface (where required) with payroll and line of business applications currently used:

Stringent authorisation and security controls.

Efficient management and reduction of risk processes:

Enhanced data integrity due to stringent validation controls:

Cost effective processes.

##### **3.5.2.1 Transactions and Balance**

To provide on line real time account balance and transaction enquiries:

To provide real time transaction search capabilities

To provide transaction history (list of transactions) storage retrieval for up to 90 days.

##### **3.5.2.2 Electronic Funds Transfer**

Payments to beneficiaries in real time;

A nominated account facility to ensure that payments are only made to beneficiaries that have been specifically loaded on a payments database, which is held on the system;

Intra- group transfers for transfers between Elundini's own bank accounts maintained by the successful Bidder;

Allow for payments to be post-dated;

Remittance advices; advice of payment can be sent by e-mail or fax;

Referencing is available for all transactions simplifying bank reconciliations; and

Data import capabilities from the municipal financial system

##### **3.5.2.3 Additional Banking Facilities**

Debit order facility

Reference recognition on deposits

Vending account management system facility

#### **3.5.3 Statements and Reconciliation management**

The Bidder should provide for the automatic downloading of electronic banking statements for subsequent import to Elundini's line of business systems.

#### **3.5.4 Electronic delivery and system interface**

The successful Bidder should ensure that all available options of communicating with the Elundini's mainframe are set out with costs in the tender. A proposed host link option to be made available to Elundini in order to facilitate high volume processing for electronic salary payments, debit order collections and electronic statements.

#### **3.5.5 Internal audit compliance**

The successful Bidder must liaise with Elundini's internal audit team regarding solutions processes and procedures ensuring that operational risks are addressed.

### **3.6 CASH MANAGEMENT SERVICES**

The Cash Management System must play a role in optimising cash balances and reducing costs associated with the management and movement of funds. The system must allow Elundini to set up accounts and consolidate them at various reporting levels.

Comprehensive statement, transaction enquiry and facilities must be available via file transmission for direct interface with Elundini's financial and accounting system that will allow Elundini to keep strong administrative and accounting control over banking accounts.

The Bidder must provide the municipality with cash drop box facilities to secure cash collected from all three municipal sites. The bidder has the responsibility to collect cash from the Municipal premises to the bank.

### **3.7 PAYROLL DIRECT DEPOSIT SERVICES**

Elundini provides full payroll services to its employees including the preparation and processing of monthly payrolls and all related remittances. Payroll data is transmitted electronically from Elundini's payroll system (PAYDAY) through the electronic banks portal for credit to the employee's bank account at the financial institution of their choice. The total amount of each payroll is charged to Elundini's Current Account. With over 295 employees and 34 councillors on the governance structures, the monthly volume of electronic items processed can range from 700 to 800 transactions depending on the number of transactions.

Payroll – 1 day salaries for everyone regardless of banks to receive payment on the same day.

### **3.8 IMPLEMENTATION AND TRAINING**

Dedicated team and project Manager for:

All inclusive seamless installation of all solutions;

Transactional Banking Solutions; and

Electronic Banking Solutions;

A contractual agreement in the form of a Service Level Agreement between Elundini and the Bidder should be in place at commencement of the contract.

Sufficient time frames for implementation of the various solutions should be planned by the Bidder in the project plan.

Identify training requirements and time frames for the implementation of solutions.

Dedicated implementation team to facilitate smooth transition of banking services to Elundini.

A dedicated specialist Electronic Banking Manager & Relationship/Account Executive Manager should attend the following:

Ensure correct set up and optimisation of the Cash management system structure;

Identify all additional systems interface requirements for electronic statements and electronic fund transfers;

Identify Cash Management, Payments Management and Internet Banking additional access requirements across Elundini including the institutional and remote requirements and the installation thereof;

Liaise with appropriate official regarding interfaces in to the Elundini line of business application and text files that can be imported into other applications;

Identify, in consultation with Elundini, all access levels, authorities, profile and limits for staff requiring access to the electronic banking systems;  
 Attend to the legal documentation and the signing thereof;  
 Formalise service level agreements incorporating back up procedures and processes particularly with regards to electronic funds transfers;  
 Identify training requirements and arrange the necessary training in consultation with Elundini; and  
 Provide all user manuals.

### 3.9 RELATIONSHIP/ACCOUNT EXECUTIVE TEAM

The Bidder should be able to provide Elundini with a Relationship/Account Executive team that has extensive Public Sector banking experience for operational activities;  
 Immediate assistance regarding problems with the system (call centre) must be provided; and  
 The Elundini Municipality requires a retention period of 6 calendar months after the expiry of the contract, during which period all banking transaction documents are to be made available to the Elundini as and when needed.

### 3.10 ADDITIONAL BANKING FACILITIES FOR STAFF

The Bidder should also be able to demonstrate what schemes and benefits they will provide for Elundini staff.

### 3.11 OTHER SERVICES

#### 3.11.1 Additional Services

Elundini will be interested in information and details of additional services available with potential benefit to the municipality.

#### 3.11.2 Statistical Data

Elundini will require access to statistical data relating to the operation of the current accounts and loan activity on an annual basis, i.e. average daily deposits, average daily account balances, average daily loan balances, etc.

## 4. EVALUATION

The following evaluation method will be used:

After the closing date of the bid invitation, an appointed evaluation committee of Officials of Elundini and possibly other external parties will evaluate the proposals of the bidders.

All proposals submitted will be evaluated on three categories:

**Stage 1: Phase 1 Test for responsiveness**

**Stage 1: Phase 2: Eligibility Criteria**

**Stage 2: Functionality**

**Stage 3: Price and Specific Goals**

Bids are evaluated in accordance with the preferential procurement Policy Framework Act (PPPFA), using the 80/20 split.

Firstly, the assessment for functionality must be done in terms of the evaluation criteria stated below and the minimum threshold value of 70% must be attained before further evaluation. A bid will be disqualified if it fails to meet the minimum threshold value for functionality as per the bid invitation.

Thereafter, only the qualifying bids are evaluated in terms of the 80/20 preference points systems, 80 points will be used for price only and the 20 points are used for Specific Goals.

### STAGE 1 PHASE 2 OF EVALUATION: ELIGIBILITY CRITERIA

For the bidder to be evaluated further on functionality, following eligibility criteria must be met: -

| Quality Criteria                                                                                   | Evidence                                                |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Bidder must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990) | Bidders must submit certificate confirming registration |

Bidders with non-compliant with the above Eligibility Criteria will be disqualified and not be considered for further evaluation

## STAGE 2 OF EVALUATION: FUNCTIONALITY

The POINTS BREAKDOWN IS AS INDICATED BELOW;

For functionality, the following criteria will be applicable and the maximum value of each criteria is indicated as below:

A minimum score of 70 points out of 100 points must be score in order to proceed to Price and Preferential Points

| CRITERIA FOR FUNCTIONALITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | POINTS | Page reference to brochure or proposal |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------------------------------|
| <b>Description</b><br><br><b>Technological Potential</b><br><br>1. Proof of ability to process same day payments to other banks – 5 points<br><br>2. Ability to process 1 day salaries to be received by all recipients at the same time – 5 points<br><br>3. Ability to process collection /debit order facility – 5 points<br><br>4. Ability to update users via in contact/sms/email – 5 points<br><br>5. User access is controlled via authorised profile – 5 points<br><br>6. Banking is accessed via online service 24 hours a day – 5 points<br><br>7. Users are able to print statements online, stop transactions online, reverse debit orders online – 5 points<br><br>8. The system allows more than one user to authorise online transactions – 5 points<br><br>9. Users are assigned authorisation limits – 5 points<br><br><b>PLEASE NOTE:</b><br><br>Bidders must attach brochure or proposal in order to get points.<br>No points will be allocated if the above items are not on the brochure or proposal | 45     |                                        |
| <b>Presence within Elundini Municipality</b><br><br>Bidder must demonstrate presence within the Elundini Municipality.<br>Points will be allocated based on the extent and even distribution<br><br>Availability of a branch in Maclear (15 Points)<br>OR<br>Availability of a branch in Tlokoeng (15 Points)<br>OR<br>Availability of a branch in Ugie (15 Points)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 15     |                                        |
| <b>Relationship/Account Executive Team</b><br><br>Extent of Public Sector Banking experience of the Relationship/Account Executive management team:<br>5 years and above experience (20 Points)<br>3 to 4 years' experience (10 Points)<br>1 to 2 years' experience (5 Points)<br>Less than 1 year experience (No Points)<br><br>NB: Copies of CV's, Certificate in banking for Relationship/Account Executive Management team must be enclosed failure which no points will be allocated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 20     |                                        |

| CRITERIA FOR FUNCTIONALITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | POINTS     | Page reference to brochure or proposal |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------|
| <p><b>Project Methodology</b></p> <p>Detailed project implementation plan with time frames as per Implementation and Training requirements in executing the contract successfully. This will entail account manager visiting Elundini regularly to check if there are any challenges being experienced and resolving them. This will also involve the account manager visiting Elundini and presenting new products and services on a regular basis.</p> <p>1. Plan for account manager attached / referenced (10 points)</p> <p>No plan for account manager attached / referenced (0 points)</p> <p>2. Allocated team and Project team. The more experienced and skilled the team and project manager are, the more points will be allocated (10 points).</p> <p>Project Team can be any number<br/> Project team with 5 years and above experience (10 Points)<br/> Project team with 4 years (6 Points)<br/> Project team with 3 years (3 Points)<br/> Project team with less than 2 years (0 Points)</p> <p>NB: Copies of CV's and qualifications of Project Team must be enclosed failure which no points will be allocated</p> | 20         |                                        |
| <b>TOTAL</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>100</b> |                                        |

Bidder/s must score a minimum of 70 points in order to meet the functionality requirements.

### STAGE 3 OF EVALUATION : PRICE AND PREFERENCE

#### 80/20 PREFERENCE POINTS SYSTEM SHALL APPLY

#### 80: PRICE

#### 20: SPECIFIC GOALS

Specific Goals for this bid are as follows:

No points will be allocated where no means of verification provided

| The specific goals allocated points in terms of this tender | Number of points claimed (80/20 system) (To be completed by the organ of state) | Number of points claimed (80/20 system) (To be completed by the tenderer) | Proof to claim points                                                             |
|-------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Tender Price                                                | 80                                                                              |                                                                           |                                                                                   |
| An EME or QSE which is at least 51% owned by black people   | 20 Points                                                                       |                                                                           | Company Registration document<br>Certified B- BBEE certificate or Sworn Affidavit |
| Sub-Total (Specific Goals)                                  | 20 Points                                                                       |                                                                           |                                                                                   |