



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Mr Ayanda Kanana
Chief Executive Officer
Land Bank
Private Bag X 375
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0001

Email: TPillay@landbank.co.za

Dear Mr Kanana

DEVIATION FROM THE NORMAL COMPETITIVE BIDDING PROCESS: APPOINTMENT OF TRUE NORTH PARTNERS

1. The National Treasury acknowledges receipt of your letter dated 12 August 2021 and received on 26 August 2021.
2. Your Institution is requesting approval to deviate from normal competitive bidding process in the appointment True North Partners (TNP) for Back End Tools Automation system (Acceleris) post go live annual provisional support services for a period of twenty-four (24) months at an amount of R 864 000.00 excluding VAT.
3. The request for deviation was recommended by the Chief Executive Officer on 26 August 2021.
4. The reasons provided for this deviation are that Land Bank went out on an open tender to appoint TNP as a service provider for a tool automation project which implemented a web based solution that automates the technical and financial assessment tools, creating the foundation to streamline the loan origination process. The project did not include any improvements or changes to the features of the tools. Post go live support service hours were not included as part of the project. TNP, using its subsidiary The Analytics boutique developed and implemented the Acceleris rating and pricing application at Land Bank and is the only authorised company that may perform enhancements on the platform. For Land Bank to

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maximise value from the investment made, post go-live support hours are required to deal with any critical maintenance issues that are associated with implementing a new system. As no other partnering vendors exist to support the Acceleris system, it is thus requested that approval be granted for IT to approach TNP as the single source provider of the ongoing critical maintenance services required.

5. The reasons provided for this deviation are justifiable.
6. National Treasury supports the deviation on condition that the fees payable are reasonable. Furthermore the Institution is advised to conduct a proper costing exercise for its projects as variation of projects is not a fair and open procurement process.
7. The Institution has an obligation to ensure that any contract for goods and services is in accordance with a system that is fair, equitable, transparent, competitive and cost effective.
8. This award must be published on e-tenders.

Kind regards,

MOLEFE-ISAAC FANI
ACTING CHIEF PROCUREMENT OFFICER
DATE: