



**REQUEST FOR PROPOSAL FOR THE
APPOINTMENT OF A SERVICE PROVIDER FOR THE
SUPPLY OF BUSINESS AND SYSTEMS ANALYSIS SERVICES TO
THE NHFC**

Ref: MS/05/2019

Compulsory briefing session: 22 May 2019 at 11h00

Bid closing date: 18 June 2019 at 11h00 am

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1. INTRODUCTION

The National Housing Finance Corporation (NHFC) was established by the National Department of Human Settlements as a development finance institution (DFI) in 1996, with the principle mandate of broadening access to affordable housing finance for the low- and middle-income households.

NHFC is a national public entity, the NHFC adheres to the regulatory framework of the Public Finance Management Act (PFMA) of 1999.

The NHFC provides wholesale funding in the affordable housing market mainly to social housing institutions, non-banking retail intermediaries, privately owned property developers, construction companies and investors. It also provides loans and other form of wholesale funding (equity and quasi equity) to certain niche businesses that are in the affordable housing market.

2. BACKGROUND

The South African Constitution enshrines the right of everyone to have access to adequate housing; and makes it incumbent upon the State to take reasonable legislative and other measures within its available resources to achieve progressive realisation of this right. In response to this imperative, Government, in terms of the Housing Act 1997 (Act No 107 of 1997), introduced a variety of National Housing Subsidy Programmes which provide the poor and the low- to middle-income households with access to adequate housing.

Amongst the many programmes, Finance Linked Individual Subsidy Program (“FLISP”) is specifically intended for the market segment whose income is inadequate to qualify for a home loan but exceeds the maximum limit applicable to access Government's 'free basic house' subsidy scheme. This market segment, generally known as the 'affordable/gap' market, earns between R3 501 and R22 000 per month. Households in this segment, if buying a home for the first time, may apply for a FLISP subsidy to assist with the purchase of a residential property or to build a house.

In July 2018, the National Department of Human Settlements revised the implementation strategy of FLISP from its original provincial deployment strategy and tasked the NHFC as its implementing agent responsible for facilitating the roll out FLISP by centralising the administrative processing function.

3. PURPOSE OF RFP

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidders for the appointment of a service provider to provide business and system analysis function on the FLISP Project for the NHFC.

To implement the revised FLISP implementation strategy, NHFC has to develop a new **end-to-end business process and technology platform** that will support its ability to **originate** FLISP subsidy applications remotely, **process, approve** and **finally disburse the FLISP grant**. As the FLISP subsidy is intrinsically linked to a **home loan** which is **provided by financial institutions** (mainly banks), the **business process** and **technology** must take into **account interfacing or integrating opportunities** (through a strategic partnership driven model).

With this RFP the NHFC would like to bring on board expertise that will assist in developing a new business process and technology solution.

The application process and the key touchpoints:

- FLISP origination process embedded into the home loan application process;
- Transmission of FLISP application and supporting documentation to NHFC from various touchpoints that include but not limited to banks;
- NHFC captures, validates and upload applications to the national housing data base for approval; and
- NHFC disburse funds on notice of registration of transfer of properties in the registration process.

4. SCOPE OF WORK

NHFC requests experienced service providers to submit proposals based on the following required scope of work which shall include the following:

- To articulate the Problem Statement as obtained from engagement with NHFC staff, the various partners of FLISP including Provincial Government, State Information Technology Agency (“SITA”), the banks and transfer attorneys with respect to the current business model of F.L.I.S.P;
- Review the current “high-level” end to end business process strategy and technology interface in place and recommend enhancements;
- Document the “As Is” process, technology and systems;
- Investigate and define integration process opportunities into the financial sector for consideration – origination process;
- Propose “To Be” options taking into account outcomes from the abovementioned investigations based on the Enterprise Architecture Model (a strategic partnership model);
- Conduct a gap analysis based on the “As Is” and “To Be” investigation and determine how best to interface with the current Housing Subsidy System (HSS) to accommodate NHFC requirements;
- Based on the gap analysis assessment:
 - recommend options for the (1) enhancements to the current systems and technology AND (2) the development of a new system that will integrate with the Housing Subsidy System.
- To conduct a cost benefit analysis of each possible option, including the enhancement of the systems and technology.

Expected Minimum Deliverables

- a) Enhanced Business Case for the Operating Model for FLISP which shall include:
 - The problem statement outlining the current operating model and shortcomings
 - Solutions options
 - Risks associated with each option

- Cost benefits analysis of the various options including outlining the time frame of the costs and benefits to be incurred or to accrue on a time line basis (over time). This will assist the NHFC in determining the return on investment and payback period for the investment
 - A detailed project plan for rolling out the recommended option
 - Outline the position impact of the new operating model on the NHFC including from a staffing point of view and other considerations
- b) A detailed report with recommendations per the scope of work and a proposal of the Enterprise Architecture Model based on the most optimal strategic partnership model
- c) The above report must include detailed business and technical specifications (soft and hard copies).

5. EXPERTISE AND SKILLS REQUIRED

The key criteria to be considered for a suitably qualified and experienced business analyst or service provider:

- a) At least 5 years' business / system analysis experience, ideally in the financial sector, whether state and/or private sector;
- b) Experience in the home loan business would be an added advantage;
- c) A proven track record of having performed similar engagements; In-depth knowledge and experience of working with Information Technology projects, especially ones that have adopted the Enterprise Architecture model;
- d) Experience in software design, software documentation and other software development life cycle (SDLC) methodologies;
- e) Good understanding and adoption of project management methodologies; and
- f) Good communication and report writing skills.

6. COMPULSORY DOCUMENTS REQUIRED

- a) Bidders are required to submit a copy tax clearance certificate (TCC) and their unique personal identification number (pin) issued by SARS to enable the NHFC to view the bidders tax status.
- b) The firm must be registered on the National Treasury supplier database at the time of submitting the proposal. Copy of Central Supplier Database Report must be submitted.
- c) Bidders must submit proof of Company Registration
- d) Certified Copy B-BBEE Certificate/ Sworn Affidavit
- e) Submission of the following Signed and Completed Standard Bid Documents (SBD) Forms:
 - SBD 1: Invitation to Bid
 - Pricing Schedule (Detailed Price Breakdown on bidder's company letterhead and signed by authorised person)
 - SBD 4: Declaration of Interest
 - SBD 6.1 Preference Points Claim Form in terms of preferential procurement
 - SBD 7.2 Contract Form – Rendering of Services
 - SBD 8: Declaration of Bidder's Past SCM Practices
 - SBD 9: Certificate of Independent Bid Determination
 - General Conditions of Contract (GCC)

All forms, annexures, addendums and specifications shall be signed and completed and returned with the RFP Document as a whole.

7. EVALUATION CRITERIA

The proposal will be evaluated in terms of the Preferential Procurement Policy Framework Regulations of 2017. Evaluation of the bid will be conducted in 3 (three) phases as follows:

Phase 1: Eligibility / Pre-Qualification criteria

Bidders will be evaluated according to pre-qualification requirements which include the submission of mandatory information or documentation as stated under the section "**COMPULSORY DOCUMENTS REQUIRED**". Bidders that fail to meet the pre-qualification requirements of the bid will not be considered further for evaluation.

Phase 2: Technical/functional evaluation

The minimum qualifying score for functionality is 70% (70 points). All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation in terms of B-BBEE and pricing in Phase 3.

Past Relevant Experience Bidders must provide proof of specific experience as defined under Section 6 of this document and submit at least five (5) recent references in respect of related services undertaken. References should be signed and contactable	Total – 45 points
Experience of the bidding company in this scope of engagement dealing with projects within the financial sector, preferably home loans (5 or more signed reference letters to be submitted from Companies where similar service has been conducted).	45 points
Experience of the bidding company in this scope of engagement dealing with projects within the financial sector, preferably home loans (3-4 signed reference letters to be submitted from Companies where similar service has been conducted).	25
Experience of the bidding company in this scope of engagement dealing with projects within the financial sector, preferably home loans (1-2 signed reference letters to be submitted from Companies where similar service has been conducted).	10
Key Personnel (Business Analyst /System Analyst / Technology Solutions Architect)	Total – 30 points
Minimum of 5 years’ experience. In-depth knowledge and experience of working with Information Technology projects, especially ones that have adopted the Enterprise Architecture model within the financial services sector (Detailed CV’s, qualification and copies of certificates must be submitted)	30
3-4 years’ experience. In-depth knowledge and experience of working with Information Technology projects, especially ones that have adopted the Enterprise Architecture model (Detailed CV’s, qualification and copies of certificates must be submitted)	20
1-2 years’ experience In-depth knowledge and experience of working with Information Technology projects, especially ones that have adopted the Enterprise Architecture model (Detailed CV’s, qualification and copies of	10

certificates must be submitted)	
Approach and Methodology Approach and Methodology must demonstrate a clear understanding of scope of works and the components of the Enterprise Architecture concepts that will be adopted.	Total -25 points
Excellent Methodology - methodology and approach are fully adequate to meet the requirements of the assignment	25 points
Good Methodology - methodology and approach cover the minimum requirements	20 points
Poor Methodology - inadequate methodology and approach	5 points
Total	100

Phase 3: B-BBEE and Price evaluation

The proposal will be evaluated in terms of the Preferential Procurement Policy Framework Regulations of 2017. Bidders who score a minimum of 70 points will be further evaluated in terms of Price and Preference points (B-BBEE status level of contributor). As per the table below, price is evaluated over 80 points and preference points over 20:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- A maximum of 20 points may be allocated in accordance with the formula.
- The points scored by a tenderer in respect of the level of B-BBEE contribution must be added to the points scored for price as calculated in accordance with the formula.
- The contract must be awarded to the tenderer who scores the highest total number of points after considering price and B-BBEE.

8. APPOINTMENT, COMMENCEMENT AND DURATION OF ASSIGNMENT

The service provider will be expected to commence on an agreed date and commit to the agreed timelines, deliverables and outcome as per the agreement concluded prior to engagement.

9. CONDITIONS ON PROPOSAL

The deliverables emanating from this assignment shall become the property of the NHFC and will be used in any future projects that are undertaken through an independent bidding or procurement processes for the development of the final technology solution supporting the FLISP operating model or enhancements thereafter.

NHFC reserves the right to reject proposals as the request is to Preferential Procurement Framework Act of 2000, Preferential Procurement Regulations of 2017, the General Conditions Contract (GCC) and if any applicable legislation and Special Conditions Contract. The lowest Bid or any bid may not necessary be accepted.

10. PROPOSAL COST

Respondents shall bear all costs incurred in the process of responding to the RFP and in any subsequent negotiation.

11. SUBMISSION ADDRESS

Proposal, endorsed with **RFQ MS/05/2019**, must be hand delivered to:

NHFC Tender Box
The Isle of Houghton
Old Trafford 3, 1st Floor
11 Boundary Road
Houghton
Johannesburg

Attention Ms. Pumza Nsukwini

12. CONTACT PERSON

Enquiries pertaining to this RFP can be directed to Ms. Pumza Nsukwini, telephone number 011 644 9814 and e-mail: pumzan@nhfc.co.za