



**Appointment of a service provider to conduct Corporate –
Wide Job Evaluation Processes for the National Housing
Finance Corporation.**

RFP CM/03/2019

Compulsory briefing session: 09 May 2019, 11h00am

Bid closing date: 03 June 2019, 11h00am

TABLE OF CONTENT

1.	INTRODUCTION	3
2.	PURPOSE	3
3.	TERMS OF APPOINTMENT	3
4.	BACKGROUND	3
5.	SCOPE OF WORK.....	5
6.	EXPERTISE AND CAPACITY	6
7.	CONTENT OF PROPOSAL.....	6
	7.1 THE TECHNICAL PROPOSAL MUST INCLUDE THE FOLLOWING:	6
	7.2 FINANCIAL PROPOSAL	7
8.	PRE EVALUATION CRITERIA	7
9.	EVALUATION CRITERIA	7
10.	COMMERCIAL OBLIGATIONS	9
	10.1 CONTRACTING.....	9
	10.2 MATERIAL RIGHTS.....	9
	10.3 RULES OF BIDDING	9
11.	PROPOSAL COMPLIANCE REQUIREMENTS.....	10
	11.1 PROCEDURAL MATTERS.....	10
	11.1.1 <i>Copies</i>	10
	11.1.2 <i>Submission Address</i>	10
	11.1.3 <i>Submission Date</i>	11
	11.1.4 <i>Proposal Cost</i>	11
	11.1.5 <i>Contacts</i>	11

1. INTRODUCTION

The NHFC has broadened its mandate and reviewed its business and operating model as it seeks to deepen its reach, scope and coverage to the lowest end of the housing market. In recognition of the current DFI consolidation process and the need to prepare for future skills requirements of the consolidated NHFC and Human Settlement Development Bank, the Corporation needs to align the skill set of its employees and to reposition itself to be able to respond appropriately to its mandate.

Job evaluation is a systematic and orderly process of determining the worth of a job in relation to other jobs. Every job has its own characteristics, which vary in degrees according to qualifications, skill, experience etc., on the part of operators performing the jobs within the organisational structure.

To this end the NHFC seeks the services of a company that will conduct an organisation –wide job evaluation exercise to establish the real worth of jobs in the organisation structure to aligned to the outcome of the of the job profiling processes.

2. PURPOSE

The purpose of this document is to table the tender specification for the appointment of a service provider to conduct a corporate –wide job evaluation exercise for the NHFC.

3. TERMS OF APPOINTMENT

The contract in respect of the assignment will be signed between the Service Provider and NHFC for a period defined to complete the exercise.

4. BACKGROUND

The National Housing Finance Corporation SOC Limited (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. The company is a Schedule 3A DFI of the National Department of Human Settlements.

NHFC is a registered public company and has been granted the necessary exemption in terms of the Banks Act. As a national public entity, the NHFC adheres to the regulatory framework of the Public Finance Management Act (PFMA) of 1999.

The corporation organogram consists of the following departments, and the total number of employees is approximately 115 in the following functional areas

- Corporate Strategy (including Corporate Communications);
- Lending;
- Credit;
- Corporate Support Services which incorporates Legal, Enterprise wide Risk, Information Technology and Compliance divisions);
- Finance (including Treasury and Supply Chain Management);
- Company Secretariat;
- Office of the CEO;
- Human Resources; and
- Programme Management

The target market of the NHFC is the low-to-middle income housing market which typically includes households who earn up to R22 000 per month which the NHFC provides wholesale funding through various institutions such as social housing institutions, non-banking retail intermediaries and privately owned property investors. The NHFC mandate requires the company to make housing and housing finance accessible and affordable to facilitate this objective. This is done through:

- providing wholesale funding to housing development projects for ownership, social housing and private rental, including inner cities, and for incremental housing purposes;
- partnering with banks and other non-banking retail financial intermediaries to increase their sustained lending and innovation in the target market served; and
- Leveraging private sector funding for the sustainable development of human settlements.
- Providing bridging finance to contractors
- Providing finance to developers within the affordable housing market

More specifically, NHFC's strategic priorities are to:

- Expand housing finance activities, through the effective provision of housing finance solutions, enabling low-to-middle income households to have the choice of renting, owning or incrementally building to meet their housing needs;
- Facilitate increased and sustained lending by financial institutions to the affordable housing market;
- Mobilise funding into the human settlements space on a sustainable basis, in partnership with a broad range of institutions;
- Conduct the business activities of the NHFC in an ethical manner that ensures the continued economic sustainability of the NHFC, while promoting sustainable social and environmental development; and
- Stimulate the low-to-middle income housing sector by providing robust, relevant and timely research and market analysis to practitioners and housing customers.

5. SCOPE OF WORK

With the consolidated DFI's (NURCHA, RHLF and NHFC), the mandate has been broadened to achieve the Human Settlement objectives as stated in section 4 above. As a result, the target operating model was revised to deepen the reach, scope and coverage to the lowest end of the housing market, as this process of consolidation has an impact on employee retention and talent management, the NHFC seeks to undertake a comprehensive Job Evaluation exercise to ensure alignment of functions in light with the results of the skills audit, and grading levels, taking into account the concept of equal pay for equal value of work. The scope of work will include

- Agree with management on the benchmark job classification within the NHFC Structure,
- Reviewing of job profiles within the consolidated NHFC and aligning them with acceptable standards.
- Carry job evaluation exercise,
- Ranking of jobs and functions within the NHFC,
- Link job evaluation results with the salary survey conducted by 21st Century consultants and propose a revised salary and benefits structures, where necessary

Expected Output/ Deliverables

The key expected deliverables of the exercise will include

- Inception report on the job evaluation, giving detailed methodology used in undertaking this assignment including work plan,
- Strategic paper or handbook on the job evaluation process,
- Skills transfer to NHFC HR personnel to build their capacity on job evaluation processes
- Where possible together with departmental heads review and update current job descriptions
- Draft Job evaluation report for approval by EXCOM.

6. EXPERTISE AND CAPACITY

The key criteria to be considered for the suitability to the service provider include:-

The appointed service provider will have to:

- Have exceptional expertise in Human Resources consulting of more than three years
- Specialisation among other in Job Evaluation, Human Resources Management and organisational development theory, methodology and practice
- To have carried out several similar exercises elsewhere
- Have enough capacity to carry out the assignment in terms of the agreed contractual obligations.
- Must be accredited to conduct job evaluation within the TASK Grading System

NB: Proposals should be able not only to provide what is mentioned above but also indicate areas of importance pertinent to the process.

7. CONTENT OF PROPOSAL

7.1 THE TECHNICAL PROPOSAL MUST INCLUDE THE FOLLOWING:

- Company profile and relevant experience full and comprehensive description of similar work undertaken in the past 3 years;
- List of current clients and references;
- Composition of team

- Abridged CV of each member of the team (qualifications, experience, expertise etc.)
- The Service Provider is to demonstrate their understanding and interpretation of the terms of reference.
- The Service Provider is to provide the proposed methodology and approach to be used in keeping with the scope of the work to achieve the purpose and objectives.

7.2 FINANCIAL PROPOSAL

The Financial Proposal must follow the following framework:

- Total Price for the Project, inclusive of VAT;
- Project Cost Calculation (itemised), derived from the work content.

8. PRE EVALUATION CRITERIA

- Company profile and Technical Proposal
- Financial Proposal (Separate document)
- BEE Credentials, certificate or affidavit (Separate document)
- Tax Clearance Certificate with pin
- ID copies of Shareholder/Directors
- A copy of company registration documents
- Vat registration evidence
- Standard Bidding Documents.

9. EVALUATION CRITERIA

Phase 1: Eligibility / Pre-Qualification criteria

Bidders will be evaluated according to pre-qualification requirements which include the submission of mandatory information or documentation. Bidders that fail to meet the pre-qualification requirements of the bid will not be considered further for evaluation on technical requirements i.e. Phase 2.

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 on Price and BEE.

Category	Criteria	Sub-category	Weighting
1.	Experience and Expertise of Key Personnel		20
	• Experience and skills mix of the bidder’s team in terms of the stated requirements (submit CVs of team members)	10	
	• External references (submit 5 recent written references)	5	
	• Management structure and project team	5	
2.	Stability and Track Record		20
	• Organizational track record	15	
	• Financial and operational stability (submit recent audited annual financial statement)	5	
3.	Approach and Methodology		45
	• Understanding of terms of reference & brief	5	
	• Demonstrated understanding of the NHFC	5	
	• Quality of strategic methodology and approach	5	
	• Applicability of strategic methodology and approach	15	
	• Demonstrable experience in the identified area(s) of job evaluation processes	15	
4.	Value Proposition and Skills Transfer		15
	• What sets the service provider apart from other services providers	10	
	• Skills transfer plan	5	
	TOTAL		100

Phase 3: Price and BBBEE evaluation

All bids that achieve the minimum qualifying score of 70% (70 points) for Functionality, (acceptable bids) will be evaluated further in terms of the 80/20 preference point system.

Bidders must submit a comprehensive and detailed line-item (VAT inclusive) cost proposal.

10. COMMERCIAL OBLIGATIONS

This section of the document outlines the general commercial process and obligations of the service provider.

10.1 CONTRACTING

A contract will be concluded between NHFC and the successful service provider which will incorporate the following:

- The letter of acceptance to the successful bidder
- The original tender documents;
- The proposal of the successful service provider, and
- Terms and conditions as stipulated above and general contract terms and conditions.

10.2 MATERIAL RIGHTS

The product of this project will be confidential information, and will be the property of the NHFC and no disclosure of information to other parties will be made without prior written approval of the NHFC.

10.3 RULES OF BIDDING

- The NHFC reserves the right to amend or cancel this RFP at any time, at its sole discretion;
- Tax Clearance certificates dated within six months of the closing date of this bid must be submitted
- The NHFC is not bound to accept any of the proposals submitted, and reserves the right to call for best and final offers from the short-listed bidders before final selection;
- The NHFC reserves the right to call for interviews with short-listed bidders before final selection;

- The NHFC reserves the right to negotiate price and other aspects of the contract with the preferred bidder;
- The NHFC would award a contract to a bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to the NHFC.
- An eligible Bidder, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in this proposal;
- The NHFC reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid process. The bidder hereby gives consent to the NHFC to conduct background checks on the bidding entity and any of its directors / partners / trustees / shareholders /members/employees. The NHFC reserves the right to consider the information arising from such background check as part of the tender evaluation process.
- NHFC reserves the right to award a contract in part, to reject any and all quotations in whole or in part, to waive technical defects, irregularities and omissions, at its sole discretion;
- The successful bidder (s) may be required to sign a Service Level Agreement (SLA), in terms of which the service provider's performance will be measured and managed.
- Late submissions will not be considered.

11. PROPOSAL COMPLIANCE REQUIREMENTS

This section contains the requirements for Proposal Compliance; all submissions must consist of a Technical and a Financial Proposal as explained below:

11.1 PROCEDURAL MATTERS

11.1.1 Copies

Three hard copies and a soft copy (CD/USB) must be submitted in a sealed envelope, appropriately addressed.

11.1.2 Submission Address

Proposal, endorsed with **RFP CM/03/2019**, must be hand delivered to:

NHFC Tender Box

The Isle of Houghton

Old Trafford 3, 1st Floor
11 Boundary Road
Houghton

Attention Mrs. Pumza Nsukwini

11.1.3 Submission Date

The Proposal (technical and financial) must reach the NHFC **by 03 June 2019 at 11h00am.**

11.1.4 Proposal Cost

The cost of compiling the Proposal (technical and financial) is and remains the prospective service provider's own cost and will not be paid for by NHFC.

11.1.5 Contacts

The contact person for information pertaining to the RFP proposal is Mrs. Pumza Nsukwini, telephone numbers 011-644 9800 fax number 011 484 0204 and e-mail pumzan@nhfc.co.za.