



REQUEST FOR PROPOSAL FLISP CRM SYSTEM ENHANCEMENT

Ref: OcM/08/2020

Briefing session (not compulsory): 01 September 2020 at 11h00 am
Please note that briefing session will be held via zoom, should you wish to attend, kindly indicate via email so that we can send you the link.

Bid closing date: 22 September 2020 at 11h00am

1. INTRODUCTION

The National Housing Finance Corporation Soc Ltd was established in 1996 by the Department of Human Settlements (NDoHS) as a Development Finance Institution with the principal mandate of broadening and deepening access to affordable finance for the low–middle income South African Households.

The target market of the NHFC is households earning a monthly income between R3 500 – R22 000. NHFC provides project finance for the development of rental units by private landlords and social housing institutions. It funds both brown and green fields developments.

Finance Linked Individual Subsidy Programme (FLISP) was approved by the National Department of Human Settlements on the 1 October 2005. The aim was to enable sustainable and affordable first-time home ownership opportunities to South Africans within a specific income bracket. The subsidy is paid once-off against a home loan on a sliding scale based on the amount earned by the household. A higher subsidy is given to lower income earners and vice versa for higher income earners.

The National Department of Human Settlements (NDoHS) enhanced and revised the Finance Linked Individual Subsidy Programme ("FLISP") during the course of 2018, appointing and authorising its Entity, the NHFC as implementing agent for the FLISP national programme (the "programme");

In the past, the subsidy has been provided to applicants at a provincial level. As a result, there was no standard, national process or technology supporting the granting of the subsidies, which is resulting in long turnaround times to obtain approval and the disbursement for the subsidy.

About 80% of current FLISP applications are received by NHFC from the property Developers, however the NHFC would like to provide a more accessible solution to other originators of home loans, such as mortgage originators, home loan providers, general public and estate agents. In addition, the NHFC would like to:

- Integrate more seamlessly to the banks, and
- Reduce the subsidy approval process timeline.

The following business problems and opportunities were identified:

- a. The process of receiving applications is manual which is resulting in delays in processing due to lost applications and incorrectly completed paperwork.
- b. The process of assessing an applicant across the multiple databases is not automated which increases the processing time of each application.

The FLISP subsidy is not easily accessible to all possible bond originators and other home loan lenders, resulting in a lack of education around its availability to assist first-time home buyers.

The organisation is therefore soliciting a Service Provider to customize the existing CRM system and also develop an interface which will create a direct link to the external databases to ensure an automated searches process. The purpose of this document is to address the specific system requirements intended to be accomplished with the FLISP CRM enhancement endeavor being undertaken by the NHFC and further provide Business functionality required, Business processes involved, Business rules and exceptions as well as Business performance objectives.

2. PURPOSE

The purpose of this FLISP CRM system enhancement initiative is to implement short- and medium-term interventions to address process and system challenges in the FLISP division. This is subsequent to the delivery of the business case produced by the analysis project which was recently undertaken by business in partnership with ICT. These interventions are aimed at making improvements and introducing efficiencies in the current manual processes of the FLISP programme with the intention to alleviate backlog challenges caused by lack of automated systems and eliminate bottlenecks in the processes.

The following challenges were identified during the analysis project, inter alia:

- a. The process of receiving applications is manual which is resulting in delays in processing due to lost applications and incorrectly completed paperwork;
- b. The process of assessing an applicant across the multiple external databases is not automated which increases the processing time of each application resulting in delayed application outcomes;
- c. There is no systematic communication to the client notifying them of the status of their application which results in inferior customer experience;
- d. Reporting is heavily manual as it is currently a function executed through the use of excel spreadsheets due to the existing system's reporting functionality being minimally used; and
- e. The FLISP subsidy is not easily accessible to all possible bond originators and other home loan lenders, resulting in a lack of education around its availability to assist first-time home buyers.

To address the above challenges the following interventions were proposed in the business case.

Identified interventions / FLISP solution objectives:

- a. Improve application processing turn-around times through the enhancement of the current Customer Relationship Management (CRM) system to leverage off the in-built workflow functionality and automated process steps;
- b. Implement direct links to external data sources through automated interfaces to the external databases;

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- c. Improve client and stakeholder experience with the FLISP Programme through the activation of the communication functionality in the current CRM system so as to provide updates on the progress of applications;
 - d. Track and monitor FLISP applications and report on the performances of the FLISP Programme; and
 - e. Provide a digital platform for submitting and monitoring the status of FLISP applications.

3. TERMS OF THE APPOINTMENT

The service provider will be expected to commence on an agreed date and the assignment must be completed within four months, in line with a project plan from the commencement of the assignment.

3.1. Proposal Cost

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

4. SCOPE OF WORK

The following deliverables are aimed at addressing challenges that need immediate attention in the short to medium term:

- Upgrade current SAGE CRM system to the latest version with the acceptable minimum being version 9 to leverage off in-built functionalities;
- Activate and customize existing in-built workflow functionality of CRM system and associated tracking;
- Activate and customize in-built CRM communications capability to update stakeholders on the progress of applications and disbursements;
- Automation of searches through direct interfacing with the 3 critical databases – Home Affairs, Deeds and NHSDB as well as an automated interpretation of results thereof;
- Customize reports for enhanced monitoring, tracking and reporting of applications and performance of the FLISP programme; and
- Automate the interface between the FLISP CRM, Treasury and Accounting systems for a seamless disbursement process.
- Implementing an online FLISP portal that is accessible to clients, banks, attorneys, developers and the FLISP team to enable online capturing and submission of applications as well as uploading of document.

4.1 Reporting requirements

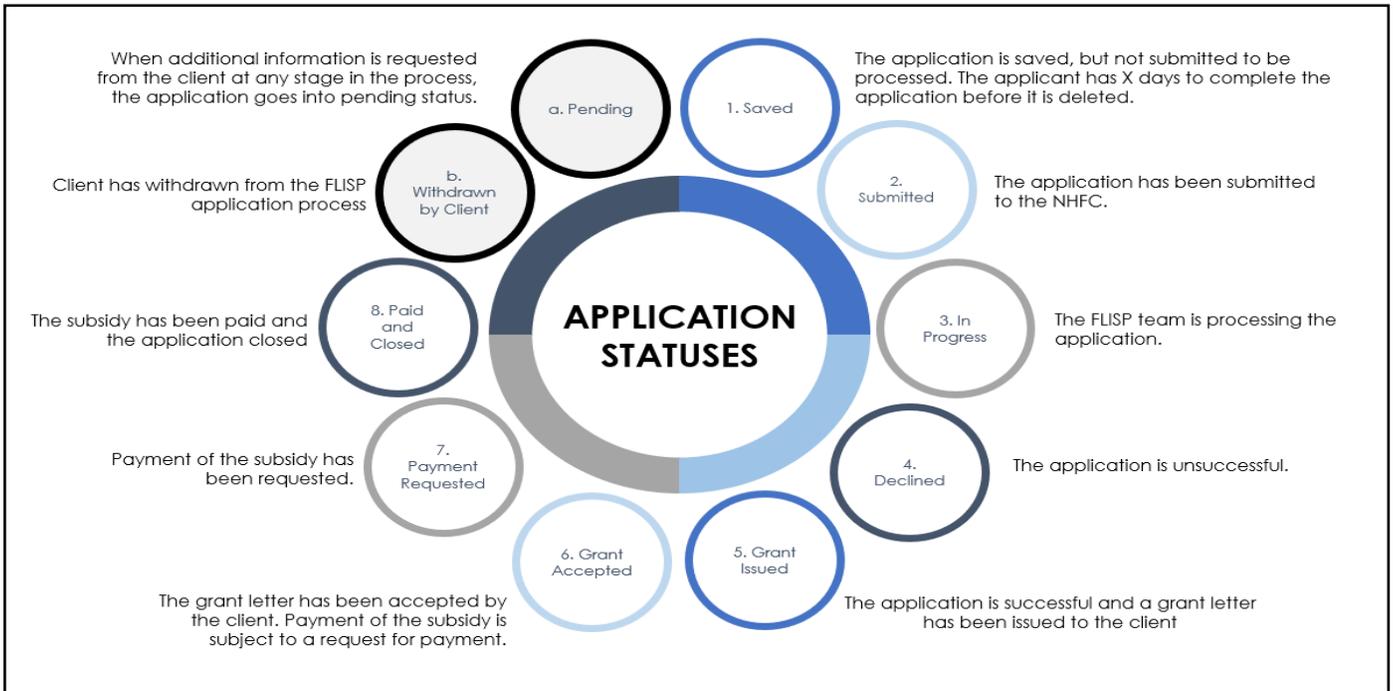
The current system already has reporting functionality which has not been enabled and therefore must be customised to be able to produce the following reports at the specified frequencies.

#	Report Title	Description	Frequency
1.	Application by status	The number of applications at each status.	The period covered by the report should be adjustable. Daily, monthly, quarterly and annually.
2.	Workload balance in team	The number of applications processed by each team member in a specified period. The turnover rate of each team member should also be noted.	The period covered by the report should be adjustable. Daily, monthly, quarterly and annually.
3.	Key rejection reasons	Provides details of what were the main reasons for declined applications in the specified period.	Monthly, quarterly and annually.
4.	Key amendments processed	Outlines what were the most frequent amendments made to grant letters in the specified period.	Monthly, quarterly and annually.
5.	Turnaround time (overall, age)	Provides information on what is the average turnaround time to process an application and pay a subsidy. What is the average duration between the client accepting the grant letter and requesting payment of the subsidy?	The period covered by the report should be adjustable. Daily, monthly, quarterly and annually
6.	Application age analysis	Provides an indication of what is the average age of the applications in the system.	The period covered by the report should be adjustable. Daily, monthly, quarterly and annually
7.	Inquiry analysis	How many enquiries result in new applications within a specified period. The number of inquiries that are successful (the client qualifies for FLISP) and unsuccessful. What are the key reasons for an unsuccessful inquiry.	Monthly
8.	Amounts approved vs disbursed	The total value of approved subsidies compared to the total value disbursed. Revoked payments must be noted. Remaining budget comparison with approved and disbursement.	The period covered by the report should be adjustable. Daily, monthly and annually
9.	FLISP month end report	Report should be executable using any of the sort options: By Province, by Local Municipality and District/Metro. Report should indicate: <ul style="list-style-type: none"> • Number of applications received • Number of applications processed • Number of applications approvals 	Monthly

#	Report Title	Description	Frequency
		<ul style="list-style-type: none"> • Disbursements • Application declines • Leveraged amount from banks 	
10.	Performance	Report should indicate: <ul style="list-style-type: none"> • Turnaround times • Number of applications Captured, number of processed • Number of searches requested 	Weekly, Monthly, Quarterly and Annually
11.	Reconciliation reports	Reconciliation of the payments made, and payment requisitions issued. <u>Finance - Payments</u> <ul style="list-style-type: none"> • National disbursement • Comparison of amounts approved vs amounts disbursed <u>Treasury – Funds</u> <ul style="list-style-type: none"> • Capital received • Withdrawal • Fees • Interest earned • Money received from province • Split of funds between projects and the open market 	Daily, Monthly, Quarterly and Annually
12.	Audit Report	<ul style="list-style-type: none"> • Summary of amendments. How many were made and who made and approved them. • Summary of cancellations. How many were made and who made and approved them. • Summary of reinstated reports. How many were made and who made and approved them. 	The period covered by the report should be adjustable. Daily, monthly, quarterly and annually.

4.2 Workflow requirements

Applications created on the CRM system must be enhanced to be in one of the following statuses until the subsidy is disbursed, application declined, or application is withdrawn by the client.



Time constrained statuses are listed below in line with the above visual depiction of statuses. Expected durations indicate the desired duration for each application at that status while the maximum durations indicate the duration in a worst-case scenario. Days are working days unless otherwise stated.

#	Status	Expected Duration	Maximum Duration	Affected Stakeholders
1.	Saved	N/A	30 calendar days	<ul style="list-style-type: none"> Client
3.	In Progress	7 days	30 calendar days	<ul style="list-style-type: none"> Client Bank / Financial Institution Developers FLISP Department
4.	Declined	<p>N/A</p> <p>Clients may dispute the result of the application for a maximum of three months after the notice of decline has been communicated to the</p>	N/A	<ul style="list-style-type: none"> Client FLISP Department

#	Status	Expected Duration	Maximum Duration	Affected Stakeholders
		<p>client.</p> <p>During these 3 months, the application may be reinstated to the In-Progress status if enough evidence is provided that the client does meet policy requirements. The reinstating of an application must be approved by the programme manager.</p>		
6.	Grant Accepted	<p>Unlimited</p> <p>(Will be updated following requested changes to the FLISP policy.)</p>	N/A	<ul style="list-style-type: none"> • Client • FLISP Department
7.	Payment Requested	5 days	7 days	<ul style="list-style-type: none"> • Client • Bank / Financial Institution • Attorney • Finance Department
a.	Pending	N/A	60 calendar days	<ul style="list-style-type: none"> • Client • FLISP Department

4.3 Client communication

The following communications must be sent to the client or indicated stakeholders at each status.

#	Status	Communication Required
1.	Saved	The client will receive a status update once their application has been saved. A follow up communication must be sent to the client 5 days before the maximum duration has expired. Any duration at this status does not contribute to application turnaround times.
2.	Submitted	Only a single status update must be communicated.
3.	In progress	No communication to the client. Internal communication on the 4 th day of

		processing as a reminder to complete.
4.	Declined	Only a single status update must be communicated to the client.
5.	Grant issued	Only a single status update must be communicated to the client.
6.	Grant accepted	Follow up communications must be sent to the client until the client has requested funds, the bank/attorney has requested funds on behalf of the client, or the maximum duration has expired.
7.	Payment requested	No communication to the client
8.	Paid and closed	Only a single status update must be communicated to the payment requestor and the client.
a.	Pending	Follow up communications must be sent to the client until the client has submitted the required documents or the maximum duration has expired. Communications should be submitted at weekly intervals. Any duration at this status does not contribute to application turnaround times.
b.	Withdrawn by Client	Only a single status update must be communicated.

5. 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 Sage CRM Systems Development and Project Management.
- Be a Sage CRM Certified Partner (submit proof)
- Knowledge of Systems Development Life Cycle (SDLC)
- To have carried out several similar exercises elsewhere.
- Have enough capacity to carry out the assignment in terms of the agreed contractual obligations.

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

6. PROFESSIONAL MEMBERSHIP

It is mandatory for the service provider that will be in charge of this NHFC assignment to be the Certified Sage Business Partner.

7. CONTENT OF THE PROPOSAL

8.1 The Technical Proposal must include the following:

- Company profile and relevant experience.
- Proposed methodology and approach to be used in keeping with the scope of works.
- Full and comprehensive description of similar work undertaken in the past 5 years.
- A list of client references where the bidder has successfully concluded similar customisation work within the public sector in terms of scope and complexity.
- Composition of the project team [Abridged CV of each member of the proposed team (qualifications, experience, expertise etc.)]
- Submit project implementation plan for deployment

8. 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 in section 9 of this document. Bidders that fail to meet the pre-qualification requirements of the bid will not be considered further for evaluation.

Phase 2: Technical/functional evaluation

Past Relevant Experience Bidders must provide proof of specific experience as defined under Section 5 of this document and submit at least five (5) recent references in respect of related services undertaken. References should be signed and contactable	Total – 35 points
Experience of the bidding company in this scope of engagement dealing with Sage CRM systems development and implementation projects including development of online portals as well as IT project management expertise within the financial sector (5 or more signed reference letters to be submitted from Companies where similar service has been conducted).	35 points

Experience of the bidding company in this scope of engagement dealing with Sage CRM systems development and implementation projects including development of online portals as well as IT project management expertise within the financial sector (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 Sage CRM systems development and implementation projects including development of online portals as well as IT project management expertise within the financial sector (1-2 signed reference letters to be submitted from Companies where similar service has been conducted).	15
Key Personnel (System Developer /IT Project Manager / Business/ Systems Analyst)	Total – 30 points
Minimum of 5 years' experience. In-depth knowledge and experience of working with Information Technology projects, especially Sage CRM implementation and customization including online portals 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 Sage CRM implementation and customization including online portals within the financial services sector (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 Sage CRM implementation and customization including online portals within the financial services sector (Detailed CV's, qualification and copies of certificates must be submitted)	10
Approach and Methodology	Total -35 points
Approach and Methodology must demonstrate a clear understanding of scope of works and the components of the system enhancements expected within the delivery of this project.	
Able to apply a methodology and approach that is fully adequate to meet requirements per deliverable in this assignment	15 points
Detailed Project Implementation Plan with clear timelines provided	10 points
Training of all CRM system users involved in the FLISP value chain within the NHFC and Skills transfer plan for champion users including Post-implementation support with a dedicated contact person and helpdesk to assist resolve any technical issues	10 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 75 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:

Price Assessment	80 Points
TOTAL	80
Preferential Elements	20 Points
B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

9. COMPLIANCE DOCUMENTS

- 9.1 Certified Copy of B-BBEE Certificate or Affidavit
- 9.2 Proof of CSD Registration (Submit Summary Report)
- 9.3 Company Registration Documentation
- 9.4 Tax Clearance Certificate Pin
- 9.5 All Standard Bidding Documents (SBD Forms)

10. COMMERCIAL OBLIGATIONS

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

9.6 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

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- Terms and conditions as stipulated above and general contract terms and conditions.

9.7 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.

9.8 RULES OF BIDDING

- The NHFC reserves the right to amend or cancel this RFP at any time, at its sole discretion;
- 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 reserves the right not to accept the lowest scoring bid (if applicable) or any bid in part or whole. 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;

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- 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.

i. Submission Address

Proposal, endorsed with **RFP: OcM/08/2020** 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

ii. Copies

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

iii. Submission Date

The Proposal (technical and financial) must reach the NHFC **by Tuesday the 22nd of September 2020 at 11h00am.**

iv. Proposal Cost

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

v. Contacts

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