



**Appointment of a service provider to conduct Corporate –  
Wide Skills Audit for the National Housing Finance  
Corporation SOC Limited (NHFC).**

**RFP CM/01/2019**

**Bid closing date: 18 March 2019 at 11h00**

## TABLE OF CONTENT

<b>1.</b>	<b>INTRODUCTION .....</b>	<b>3</b>
<b>2.</b>	<b>PURPOSE .....</b>	<b>3</b>
<b>3.</b>	<b>TERMS OF APPOINTMENT .....</b>	<b>3</b>
<b>4.</b>	<b>BACKGROUND .....</b>	<b>4</b>
<b>5.</b>	<b>SCOPE OF WORK.....</b>	<b>5</b>
<b>6.</b>	<b>EXPERTISE AND CAPACITY .....</b>	<b>6</b>
<b>7.</b>	<b>CONTENT OF THE PROPOSAL.....</b>	<b>6</b>
<b>8.</b>	<b>BID EVALUATION CRITERIA.....</b>	<b>7</b>
<b>9.</b>	<b>COMMERCIAL OBLIGATIONS .....</b>	<b>10</b>
	9.1 CONTRACTING.....	10
	9.2 MATERIAL RIGHTS.....	10
	9.3 RULES OF BIDDING .....	10
<b>10.</b>	<b>PROPOSAL COMPLIANCE REQUIREMENTS.....</b>	<b>12</b>
	10.1 PROCEDURAL MATTERS.....	12
	10.1.1 Documents to be submitted: .....	12
	10.1.2 Copies .....	12
	10.1.3 Submission Address.....	12
	10.1.4 Submission Date .....	13
	10.1.5 Proposal Cost.....	13
	10.1.6 Contacts .....	13

## **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 Human Settlement Development Bank, the NHFC need to adapt to the fast changing socio-economic environment in South Africa, therefore needs to reposition itself in terms of skills set of its employees.

A skills audit is essentially a process for measuring and recording the skills of an individual or group. The main purpose for conducting a skills audit in an organisation is to identify the skills and knowledge that the organisation requires, as well as the skills and knowledge that the organisation currently has. The outcome of the skills audit process is a skills gap analysis. This information will enable the organisation to improve by providing the appropriate training and development to individuals to cater for the identified skill gaps.

To this end the NHFC seeks the services of a company that will conduct an organisation – wide skills audit with the purpose of identifying potential gaps.

## **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 employee skills audit 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 of three months for the completion of 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 NHFC organogram consists of the following departments, and the total number of employees is approximately 119 in the following functional areas

- Corporate Strategy (incorporating Corporate Communications);
- Lending;
- Credit;
- Corporate Support Services which incorporates Legal, Enterprise wide Risk, Information Technology and Compliance divisions);
- Finance, i.e. Procurement and Treasury;
- 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 between R3 500 and 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.

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 broadened mandate and revision of its business and operating model, as it seeks to deepen its reach, scope and coverage to the lowest end of the housing market, the NHFC needs to also review its skill set in order to remain relevant to the development finance to improve its impact. To this end the NHFC seeks to conduct an organisation –wide skills audit with the purpose of identifying potential gaps.

On completion, the successful service provider will be expected to submit the following:-

- Organisation Wide Skills Framework,
- Skills gap analysis report and
- Skills audit recommendation report.

## **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 enough capacity to carry out the assignment in terms of the agreed contractual obligations.
- Have experience in training and development

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

## **7. CONTENT OF THE PROPOSAL**

**a) 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 audit 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.).

- Detailed statement on the independence of the bidder and key members of the appointed bidder from the NHFC and its related companies being the Rural Housing Loan Fund and National Urban Reconstruction Housing Agency.

**b) Financial Proposal (to be submitted in a separate envelope)**

The Financial Proposal must indicate the proposed annual cost for the service which gives an indication of the following:

- Overall fixed price inclusive of VAT and disbursements;
- Breakdown of anticipated out-of-pocket expenses (disbursements);

**8. BID EVALUATION CRITERIA**

The proposal will be evaluated in terms of the Preferential Procurement Policy Framework Regulations of 2017.

The evaluation of bid responses will be conducted in three (3) phase 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.

**Pre-qualification criteria:**

For a bid to move to Phase 2 of the evaluation it must include the following:

- a) Tax clearance certificate or a tax clearance PIN;
- b) The following bidding forms:
  - SBD8 Declaration of bidder's past supply chain management practices;
  - SBD9 Certificate of Independent Bid Determination;
- c) Proof of registration on the National Treasury Supplier database;

d) B-BBEE certificate.

e) Exceptional expertise in Employee Skills Audit and Human Resources consulting of more than five years

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 in phase 3.

Category	Criteria	Sub-category	Points
1.	<b>Experience and Expertise of Key Personnel</b>		<b>20</b>
	• Experience and skills mix of the bidder's team in terms of the stated requirements	10	
	• Management structure and project team track record	10	
2.	<b>Stability and Track Record</b>		<b>20</b>
	• Organizational track record	15	
	• External references	5	
3.	<b>Approach and Methodology</b>		<b>45</b>
	• Understanding of terms of reference & brief	10	
	• Demonstrated understanding of the NHFC	5	
	• Quality of strategic methodology and approach	10	
	• Applicability of strategic methodology and approach	10	

	<ul style="list-style-type: none"> <li>Demonstrable experience in the identified area(s) of skills audit</li> </ul>	10	
4.	<b>Value Proposition and Skills Transfer</b>		<b>15</b>
	<ul style="list-style-type: none"> <li>What sets the service provider apart from other services providers</li> </ul>	10	
	<ul style="list-style-type: none"> <li>Skills transfer plan</li> </ul>	5	
	<b>TOTAL</b>		<b>100</b>

### Phase 3: Price and BBEE 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. This evaluation will be based on the pricing and BEE score of the bidders at the point/time of evaluation of a specific Request for Quotation.

B-BBEE score and preference points (Points must be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the table below):

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

20 points are allocated for B-BBEE compliance while 80 points are allocated for pricing.

- 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;
- If the contract is awarded, it will be awarded to the tenderer who scores the highest combined points for price and B-BBEE.

## **9. COMMERCIAL OBLIGATIONS**

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

### **9.1 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.

### **9.2 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.

### **9.3 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 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;
- 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.

## 10. 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:

### 10.1 PROCEDURAL MATTERS

#### 10.1.1 Documents to be submitted:

- Company profile and Technical Proposal
- Financial Proposal (Separate document)
- Valid BBBEE Credentials (Separate document)
- Original valid Tax Clearance Certificate
- Copies of any Shareholders agreement
- ID copies of Shareholder/Directors
- A copy of the current memorandum of incorporation
- VAT registration evidence (if registered for VAT)
- Central Supplier Database (CSD) summary report
- Declaration of interest
- Declaration statement

#### 10.1.2 Copies

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

#### 10.1.3 Submission Address

Proposal, endorsed with **RFP CM/01/19**, 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**

#### 10.1.4 **Submission Date**

The Proposal (technical and financial) must reach the NHFC **by 18 March 2019 at 11h00am.**

#### 10.1.5 **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.

#### 10.1.6 **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](mailto:pumzan@nhfc.co.za).