



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLE SERVICE PROVIDER TO PROVIDE THE SKILLS FOR A CRITICAL REVIEW OF THE NATIONAL SKILLS FUND OPERATING MODEL INCLUSIVE OF FINANCIAL ANALYSIS, INFORMATION AND COMMUNICATION TECHNOLOGY, PROJECT MANAGEMENT AND AUDIT TO SUPPORT THE MINISTERIAL TASK TEAM IN CONDUCTING A STRATEGIC REVIEW OF THE NATIONAL SKILLS FUND



REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLE SERVICE PROVIDER TO PROVIDE THE SKILLS FOR A CRITICAL REVIEW OF THE NATIONAL SKILLS FUND OPERATING MODEL INCLUSIVE OF FINANCIAL ANALYSIS, INFORMATION AND COMMUNICATION TECHNOLOGY, PROJECT MANAGEMENT AND AUDIT TO SUPPORT THE MINISTERIAL TASK TEAM IN CONDUCTING A STRATEGIC REVIEW OF THE NATIONAL SKILLS FUND

1. Purpose of the RFQ

- 1.1. The objective of the request for quotation is to appoint a suitable service provider/consortium to provide skills required for a strategic review of the National Skills Fund's (NSF) operating model with specific focus on:
 - 1.1.1. Financial Analysis,
 - 1.1.2. Information and Communication Technology (ICT),
 - 1.1.3. Project Management, and
 - 1.1.4. Audit specialist.
- 1.2. The MTT seeks to appoint a suitable service provider to conduct critical analysis and review of the NSF's operating model inclusive of the core models and systems for finances, project management, Audit and Information and Communication Technology (ICT) and all related functionality composing the NSF operating model.
- 1.3. The aim of the analysis of the NSF operating model is to define the current state of the NSF core functionality and operating models and systems, and to present recommendations for the future desired functionality and operating model of the NSF as an integral part of the national socio-economic policy and institutional landscape of South Africa and its future strategic position and mandate.
- 1.4. The MTT is required to advise the Minister on the mandate of the NSF and its scope of work through recommendations on measures required to ensure that NSF is strategically positioned as an institution with a clear mandate and mission, supported by the necessary structures and capacity for a sustainable future (**Annexure A** – Terms of Reference for the Ministerial Task Team to conduct a strategic review of the National Skills Fund).
- 1.5. The identification, coordination and production of a critical review reports for each of the core functions as part of the NSF operating model must be outlined in a clear plan, with the scope of analysis, collection and analysis of documentation, systems



and processes required to inform the reports outlining the current state of the NSF operating model and recommendations on the effectiveness, efficiencies and relevance of its operating model as alignment to the envisaged strategic mandate of the NSF service, is required by the MTT.

- 1.6. The MTT review includes the strategic focus of the NSF, its mandate and scope and analysis of its capacity, systems and organisational structure, in relation to its mandate and mission. The MTT will examine contextual and institutional factors that underpin the current challenges facing the NSF.
- 1.7. The scope of analysing the operating model of the NSF will be from the period 2009 to date and must align with MTT scope of work, with the aim of providing empirically-based analysis insights and recommendation's on the strategic, structural and operational context and envisaged improvement of the NSF. These contextual factors will be informed by research including an international and local benchmarking study, international and South Africa's socio-economic contextual issues including the impact of the Coronavirus on the NSF, national skills levy system's and policies and any other research and data analysis conducted by the MTT.
- 1.8. In addition, a critical review of the NSF operating model will include data, systems, processes and structural analysis of the NSF to provide insights on the current state of the NSF operations and recommendation's.
- 1.9. The future desired strategic and operational model of the NSF must address concerns regarding its responsiveness, relevance and efficiency and effectiveness to South African Government priorities.
- 1.10. The service provider to be appointed must produce a high-quality services within tight timelines.

2. BACKGROUND

- 2.1 The National Skills Fund (NSF) was established in terms of Chapter 7, section (27) of the Skills Development Act (SDA) 97 of 1998, as amended to fund the projects identified in the National Skills Development Strategy (NSDS) and the National Skills Development Plan 2030 (2030). The NSF receives 20% of the funding through the skills development levy, a payroll tax introduced by the Skills Development Levies Act



of 2000 in order to encourage learning and development in the workplace. These resources fund training programmes, institutional capacity building, and research in the Post-School Education and Training (PSET) sector.

- 2.2 The NSF is tasked with the responsibility of funding, which is focused on national priorities and providing resources to unlock and catalyse national human development potential. The state is assisted to drive key skills strategies to overcome skills shortage and contributes towards the achievement of the country's developmental objectives.
- 2.3 The Minister of Higher Education, Science and Innovation, Dr BE Nzimande (the Minister) has established an independent Ministerial Task Team (MTT) to conduct a strategic review of the National Skills Fund (NSF). The need for a review is informed by a variety of challenges that the NSF has been experiencing over the years since its establishment as a schedule 3(A) public entity as of 1 April 2012.
- 2.4 Members of the MTT are appointed for a period of six (6) months. At the end of the term, the MTT is expected to submit a report to the Minister, presenting their findings and recommendations thereof. In order to complete its mandate successfully, the MTT will require the services of a suitable service provider to identify and conduct a critical review of the NSF operating model including but not limited to financial management, project management, internal audit and Information and communication technology to empirically inform the MTT.

3. SCOPE OF WORK

- 3.1 The scope and timelines for the service provider to conducting a critical review will be in line with that of the MTT. Overall, the service provider will be required to engage, prepare, coordinate, compile and report on the current state and future state of the NSF operating model and system's to the MTT. Specifically, the service provider will be required to fulfil the following responsibilities in line with the MTT's scope of work:

- a) Utilising Financial and Audit analysis, Information and Communication Technology assessment and Project Management services; engage and develop a plan to conduct a review of the NSF operating model aligned to the strategic focus of the NSF, its mandate and scope and analysis of its capacity, systems and organisational structure, in relation to its mandate and mission.



This should include examining contextual and institutional factors that impact upon the current challenges facing the NSF.

- b) Prepare the plan for the critical analysis and review that includes data analysis scope, budget and timeframes aligned to the MTT timelines.
- c) Obtain approval from the MTT on the NSF operating model review plan prior to commencing with activities inclusive of budgets and timeframes.
- d) Developing frameworks for the review and reporting including methodologies and approaches, data collection processes for the MTT review and approval.
- e) Conducting a critical analysis of NSF operating model.
- f) Drafting and preparation of report/s for each component of the NSF operating model.
- g) Perform quality assurance of all reports and any other documentation to be prepared and submitted to the MTT, Minister or any other engagement as directed by the MTT.
- h) Submit draft reports and findings of the critical analysis timeously to the MTT. Present and engage with the MTT on the findings and conclusions of the NSF operating model status as conducted.
- i) Consider research and findings from the other reports emanating from the work of the MTT.
- j) Consider reports on the NSF organisational design and structure analysis to inform and align recommendations for a future state of the NSF operating model.
- k) Consider and address all critiques and inputs made to the NSF operating model status reports and develop recommendations.
- l) Engage and present recommendations to the MTT on improving the NSF operations that are strategically relevant, effective, and efficient to a future state of the National Skills Fund mandate and strategic position.
- m) Finalise and conclude all NSF component and functional operating models and system reports.
- n) Prepare summaries, presentations and documentation on findings and recommendations as required by the MTT.
- o) Prepare and synthesise all NSF Operating model critical review reports into a report providing a summary of key findings and recommendations arising from



the analysis and reviews to detail the historical, current and future mandate and operating model of the NSF.

- p) Prepare any other reports as required to support the MTT to present a coherent, clear and structured report including recommendations on their review of the NSF.
- q) Monitor and report the progress of the NSF Operational model review plan and budget.
- r) Securely submit and store electronically all reports produced for the MTT.
- s) Prepare and submit a close out report to the MTT for approval, outlining a comprehensive mapping of the deliverables planned and achieved by the service provider. This will be aligned to the service provider project plan to be delivered and approved at the inception of the appointment of the service provider as indicated in section 5 (below). The service provider will agree on the scope and additional areas to be covered in the closeout report with the MTT.
- t) Any other work that the MTT may deem essential within the realm of its mandate.

4. Confidentiality

- 4.1 The Service Provider shall be bound by and adhere to strict confidentiality in all the work they will handle. The appointed service provider will be required to sign a confidentiality agreement with the NSF.

5. Deliverables

- 5.1 A plan outlining the project and report deliverables to conduct a critical review of the national skills fund operating model inclusive of financial analysis, information and communication technology, project management and audit to support the ministerial task team in conducting a strategic review of the national skills fund ; inclusive of the budget, timeframes, data and reporting requirements.
- 5.2 Documentation and Critical analysis review framework and methodology inclusive of other tools to conduct the analysis and review.
- 5.3 Fieldwork reports and/or project reports.



- 5.4 Workshop reports with MTT to discuss the draft reports;
- 5.5 Draft report on the historic and current state of the NSF operating model processes and systems to be presented to the MTT;
- 5.6 Analysis reports on international benchmark study, organisational design and structure review and other reports and comments received by MTT.
- 5.7 Synthesised report on the findings and recommendations arising from the analysis and review with detailed and specific recommendations.
- 5.8 Presentations and reports for all reports on the NSF Operating model and systems.
- 5.9 Monthly progress report on activities as per the approved project plan and expenditure.
- 5.10 Any other reports or activities as allocated by the MTT for the service provider to prepare and report on.
- 5.11 Submit a close out report to the MTT for approval, outlining a comprehensive mapping of the deliverables planned and achieved by the service provider. This will be aligned to the service provider project plan to be delivered and approved at the inception of the appointment of the service provider as indicated in section 5. The service provider will agree on the scope and additional areas to be covered in the closeout report with the MTT.

6. Duration of contract

- 6.1 The MTT will require the services of a service provider for the duration of its term.
The duration of the contract with the service provider/consortium will be effective from date of appointment until February 2022.

7. Competencies/Experience required

- 7.1 It is expected that the service provider/consortium should have knowledge/experience in the following:
 - a) Has experience five years of experience in conducting operating model analysis specifically in financial management, project management, audit and information and communication technology and related operating systems and models. Experience in business operating modelling and methodologies and presentation to stakeholders.
 - b) Has provided similar business operating modelling reviews and development.



- c) It would be advantageous if business modelling and operational system reviews and development have been undertaken in the areas of higher education sector, innovation systems, government systems, labour market, skills, labour, further education and implementation in the Post School Education and Training (PSET) system and Science and Innovation systems.

8. Submission of Proposal

The following procedure must be followed for RFQ submission:

- 8.1.1 The main part of the proposal must clearly state Technical section and financial section, wherein the bidder should address all aspects of the exhibits.
- 8.1.2 Electronic proposals in PDF must be submitted to rfq.nsf@dhet.gov.za.

(Failure to submit the required documentation MAY lead to disqualification)

9. Content of the Technical Section

9.1 The technical submission should include the following:

- a) Cover Page
- b) Mandatory documents
- c) Introduction and Executive Summary
- d) Company and contact information of the bidder, including all parties/team members to the consortium where applicable
- e) **Exhibit 1:** The proposal must include all the following documents:
 - Please ensure that these documents that you require are linked to Section 4, APPROPRIATE QUALIFICATIONS, EXPERIENCE, SKILLS AND KNOWLEDGE as well as the EVALUATION CRITERIA in section 7.
 - A short profile of the service provider, as well as the team (team leader and team members), outlining in specific:
 - The team leader should have a Post Graduate Degree in Business Management or any other related field;
 - The team leader should have five years experience working with business operational modelling reviews and development, and project management;



- Knowledge, skills and experience in the innovation and/or post-school education and training sector would be advantageous;
 - Demonstrating a thorough understanding of the National Skills Fund mandate and the education, training and skills development legislative, regulatory and policy framework is expected would be advantageous; and
 - Level of project management skills and experience managing projects of this kind and magnitude.
- f) **Exhibit 2:** Proposal outlining the detailed approach and methodology to be applied in conducting the analysis and review and development of business operating models and systems. In specific this part must include:
- The steps to ensure business operating modelling review planning and implementation activities have been addressed.
 - Approach to conducting the analysis and review be informed desktop analysis of literature and telephonic interviews with an identified critical stakeholders.
 - It must contain a short description of the envisaged methodology, processes and procedures that the service provider will deploy to ensure that EACH deliverable is achieved at the required level of quality.
 - Business operating analysis and review reporting framework.
 - Furthermore, it must contain an activity sheet and milestone plan showing how the service provider will complete and manage the project.
- g) **Exhibit 3:**
- A table containing the names of all team members, their envisaged roles and responsibilities and the time they will work on the project.
 - An abridged CV of the Team Leader clearly indicating relevant experience and expertise in working in business operating reviews and system development, it would be advantageous if they knowledge in the innovation, post-school education and training sector, and project management or related fields.
 - An abridged CV of the person(s) that will do the work, clearly indicating relevant expertise and experience (see APPROPRIATE SKILLS AND KNOWLEDGE above).



- Certified copies, not older than six months, of the highest education qualification(s) of each team member, and a declaration that the information is truthful and correct.

h) Exhibit 4:

- A detailed structure of the bidder's organisation.
 - Past and current clients' references and letters for the past 5 years' indicating experience in operating model analysis and development.
 - Any other supplementary information.
- i) Compulsory request for quotation documents completed in full together with supplementary bidder documents as required. This includes tax certificates and completed SBD forms for all the bidders and consortium members, where applicable.

10 Content of the Financial Section

- 10.1 The financial section should include the proposed fee.
- 10.2 The proposed fee should include any costs that will be incurred by the bidder, including travel and subsistence expenses. The total price or amount provided will be regarded as the cost of the project, including VAT and applicable taxes.
- 10.3 The price quoted must be a fixed price for the duration of the contract including all related costs including equipment, communication/data and delivery of the physical reports to NSF offices located at 178 Francis Baard Street in Pretoria or submitted electronically to rfq.nsf@dhet.gov.za.
- 10.4 The price quoted must be inclusive of all NSF reviews subsequent to details of the cost/fee breakdown for all services to be rendered.
- 10.5 NSF shall not incur any additional costs for overtime or weekend work that may be required due to unforeseen delays during the project.
- 10.6 The NSF reserves the right to negotiate rates and costs.

11. Evaluation Criteria

- 11.1 The following table reflects the evaluation criteria that will be used in evaluating the technical and financial sections.



No	Element	Weight
1	<p>Knowledge, skills and experience:</p> <p>a. Key personnel with the relevant qualifications in the field.</p> <p>b. Knowledge, skills and experience in operating model analysis and development</p> <p>Source: Exhibits 1, 3</p> <p>Guideline:</p> <p>Qualifications</p> <ul style="list-style-type: none">❖ Team leader : Post Graduate Degree in Business Management or any other related field / NQF Level 7 and above (5 points – relevant qualification, 3 points – qualification in any other related field, no relevant qualification – 0 points)❖ Team member/s – appropriate qualifications in ICT, Audit, Financial Management and Project Management or any other related field /NQF level 6 (100% of all team members have spread across ICT, Audit, Financial Management and Project Management qualification - 5 points; 75% of team members have spread across ICT, Audit, Financial Management and Project Management qualification – 4 points, 50% of team members have spread across ICT, Audit, Financial Management and Project Management qualification – 3 points, 25% of team members have spread across ICT, Audit, Financial Management and Project Management qualification – 2 points and if no members have qualifications – 0 points) <p>Experience</p> <ul style="list-style-type: none">• Team leader<ul style="list-style-type: none">❖ Experience in operating model analysis and development (more than 5 years - 10 points; 5 years - 6 points; 3 to 4 years – 4 points and less than 3 years – 0 points)• Team Members (10 points maximum sliding scale)<ul style="list-style-type: none">❖ Working with operating model analysis and development experience (100% of members have 3 years experience - 10 points; 75% of members have 3 years experience– 6 points, 50% of members have 2 years experience– 3 points, and 50% members have less than 3 years of experience – 0 points)	30



2	<p>Project management skills and experience managing projects of this kind and magnitude</p> <p>Source: Exhibits 1, 3</p> <p>Guideline:</p> <ul style="list-style-type: none">• Team leader - more than 5 years - 10 points; 3 to 4 years - 5 points; less than 3 years - 0 points	10
3	<p>Methodology and design - The evaluation methodology and approach to be employed including administrative aspects of the project</p> <p>Source: Exhibit 2</p> <p>Guideline:</p> <ul style="list-style-type: none">• An understanding of the assignment expressed in methodology and approach (10 points)• Evidence of full comprehension of processes and articulation of the tasks to conduct an analysis and review of the NSF Operating model (15 points)• Project plan from inception phase to project closeout (15 points)	40
4	<p>Organisation profile and proven experience of successfully completed projects of this kind and magnitude</p> <p>Source: Exhibits 1, 4</p> <p>Guideline:</p> <p>Company profile and reference should demonstrate:</p> <ul style="list-style-type: none">• Conducted an analysis and review of operating model analysis and systems in the past five years (5 points – 5 years; 3 points – 3 years experience and less than 3 years – 0 points)• Three letters of reference in operating model analysis and systems in the past five years (15 points – for 3 letters, 10 points – 2 letters and 5 points – 1 letter)	20
	Total	100

NB: Service Providers who fail to score a minimum of 70 points out of 100 points on functionality criteria will not be eligible for further consideration.



12. Monitoring and Reporting

- 12.1 All monitoring of the project will be conducted by the Ministerial Task Team on a monthly basis.
- 12.2 The Ministerial Task Team will engage with the service provider to facilitate the smooth implementation of the project and to ensure that the objectives of the project are met.
- 12.3 Project Reports and invoices will be submitted to the Ministerial Task Team to confirm and approve deliverable to the satisfaction of the MTT, where after, it will be submitted to the Executive Officer for approval and to effect the relevant payments in line with reports is processed by the NSF.
- 12.4 For each deliverable, as identified in DELIVERABLES, paragraph 5, the service provider will submit progress reports to the MTT in line with approved timeframes in the project plan. The reports should be in Ms Word and submitted electronically to the Chairperson and members as well as the project manager of the MTT.

13. Conditions of Quotations

- 13.1. Quotations will be subjected to Supply Chain Management conditions as follows:
 - 13.1.1. The Preferential Procurement Policy Framework Act no.05 of 2000 will apply to this RFQ;
 - 13.1.2. The NSF reserves the right to award or not to award this contract;
 - 13.1.3. The NSF reserves the right not to accept the lowest cost proposal;
 - 13.1.4. The NSF will enter into a formal contract with the successful service provider;
 - 13.1.5. The NSF reserves the right to terminate the contract should the performance of the service provider be unsatisfactory;
 - 13.1.6. The NSF has the right to visit the business premises of the service provider to verify the information provided in the tender documents but will inform the service provider in advance of such a verification visit;
 - 13.1.7. It is the responsibility of prospective bidders to ensure that their bid documents are submitted electronically to rfq.nsf@dhet.gov.za or physically to NSF offices located at 178 Francis Baard Street in Pretoria before the closing time and date of the RFQ, the date for the closure of the RFQ is **12 November 2021 at 1pm**;
 - 13.1.8. Proposals received after closing time and date are late and will NOT be considered;



13.1.9. Any change of information provided in the RFQ document that may affect delivery of services should be brought to the NSF's attention as soon as possible. Failure to

comply may result in the contract being terminated;

13.1.10. All copyrights and intellectual property rights in respect of products developed by the service provider during the project will vest in the National Skills Fund who has the right to allow any other individual, company, agency or organisation to use or modify the product for any purpose;

13.1.11. The service provider must make provision on its own premises for:

- all IT equipment and software required,
- office space and facilities,
- printing, binding and related services
- Communications infrastructure and costs;

13.1.12. The Service Provider must allocate dedicated staff to the project.

14. Completion of all Documentation

14.1. Service providers are required to complete all the standard RFQ documentation attached and submitted with the technical and financial submissions and original tax clearance certificate.

15 ADDITIONAL PRESCRIPTS TO BE INCLUDED IN ALL NSF TERMS OF REFERENCES FOR TENDERS AND REQUESTS FOR QUOTATIONS

15.1 In terms of section 76(4)(c) of the Public Finance Management Act, 1999 (Act No 1 of 1999) (PFMA), the National Treasury may make regulations or issue instructions applicable to all institutions to which the PFMA applies concerning the determination of a framework for an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. The National Treasury subsequently issued National Treasury Instruction Note 3 of 2016/17 in terms of section 76(4)(c) of the PFMA.

15.2 In terms of paragraph 9.1 of National Treasury Instruction Note 3 of 2016/17, the Director-General of Higher Education and Training, as accounting authority of the NSF, must ensure that contracts are not varied:

15.2.1 By more than 20% or R20 million, whichever is the lowest, for construction related goods, works and services; and



- 15.2.2 By more than 15% or R15 million, whichever is the lowest, for all other goods and services that are not construction related.
- 15.2.3 In terms of the above-mentioned National Treasury Instruction Note, any other deviation in excess of the prescribed thresholds will only be allowed in exceptional cases subject to prior written approval from the National Treasury.
- 15.3 Once appointed, service providers shall adhere to the above-mentioned prescripts as follows:
- 15.3.1 Service providers shall not provide any goods and services that exceed the order amount;
- 15.3.2 Service providers shall refrain from providing any additional goods and services that exceed the order amount, unless prior written approval for the variation has been granted by the Director-General of Higher Education and Training, as the accounting authority of the NSF, or his / her delegated official.
- 15.4 NSF shall not be liable to reimburse the appointed service provider for any goods or services that exceed the order amount, including approved variations thereon.
- 15.5 NSF shall not be liable to reimburse the appointed service provider for any goods or services where such goods and services have been rendered prior to obtaining the order (incl. variation orders) therefore.

16 ENQUIRIES

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