

**TERMS OF REFERENCE FOR DEVELOPMENT OF  
HUMAN RESOURCE MANAGEMENT STRATEGY  
FOR THE SOUTH AFRICAN SOCIAL SECURITY  
AGENCY (SASSA)**

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## **ABBREVIATIONS AND DEFINITION OF TERMS**

<b>SASSA</b>	Refers to the South African Social Security Agency, also referred to as the Agency, established in terms of SASSA Act 09 of 2004.
<b>Agency</b>	Refers to the South African Social Security Agency, also referred to as SASSA.
<b>Human Resource Management Strategy</b>	A document that will assist SASSA in the development and implementation of Human Capital Practices aligned to the Organizations' strategic goals.
<b>DPSA</b>	Department of Public Service Administration
<b>Public Sector</b>	State owned Entities (SOEs), Municipalities, National Government, Provincial Governments, Universities and Agencies.
<b>Beneficiaries</b>	Recipients of social grants
<b>B-BBEE</b>	Broad Based Black Economic Empowerment Act, Act no 53 of 2003, as amended
<b>CSD</b>	Central Supplier Database
<b>SANAS</b>	South African National Accreditation System
<b>AA</b>	Automobile Association of South Africa

## 1 BACKGROUND

- 1.1 The **South African Social Security Agency (SASSA)** is an entity of the Department of Social Development established in terms of Section 2(1) of the South African Social Security Agency Act, Act 9 of 2004 (the SASSA Act) and is responsible for the management, administration and payment of social grants.
- 1.2 The mandate of SASSA as stipulated in Section 3 of the SASSA Act is:
  - a. To act, eventually as the sole agent that will ensure the efficient and effective management, administration and payment of social assistance;
  - b. To serve as an agent for the effective administration of social security; and
  - c. To render payments relating to such services.
- 1.3 SASSA is currently responsible for the disbursement of grants to millions of beneficiaries each month paying through direct deposits into personal bank accounts, and Post Bank. The social assistance grant is recognised as the single most effective poverty alleviation programme of government.
- 1.4 Section 7 (2) (a) of the South African Social Security Agency Act, 9 of 2004 states that “The Minister for the Public Service Administration in consultation with the Social Development Minister and the Minister of Finance must determine a human resource policy for the Agency”.
- 1.5 SASSA has a decentralised Human Resource Management function across all nine Regions (Provinces) with Head Office mainly responsible for policy development and oversight.

## **2 PURPOSE OF THIS DOCUMENT**

- 2.1 This document aims to set out in detail the South African Social Security Agency's (SASSA) requirements for a Service Provider to:
- a) Develop a Human Resource Management Strategy linked to SASSA's Strategic Objectives; and
  - b) Setting out the procurement processes and procedures for the sourcing of a service provider.

## **3 RATIONALE FOR THE DEVELOPMENT OF THE HUMAN RESOURCE MANAGEMENT STRATEGY**

- 3.1 Section 7 (2) (a) of the South African Social Security Agency Act, 9 of 2004 states that "The Minister for the Public Service Administration in consultation with the Social Development Minister and the Minister of Finance must determine a human resource policy for the Agency". Regrettably, to-date the later mentioned Strategy has not been developed.
- 3.2 In 2007, SASSA in consultation with DPSA initiated the development of a Human Resource Policy and Remuneration, Conditions of Service and Non-Pensionable Allowances for the Chief Executive Officer and the staff of the Agency. The consultations went over for a period of two (2) years. Unfortunately, the document was never finalised and to-date SASSA does not have such a Human Resource Policy Framework.
- 3.3 The nonexistence of the Strategy has resulted to many challenges which include the following:
- 3.2.1 SASSA HCM policies were developed in line with the Public Sector transversal policies including the Public Service Regulations and Public Service Act;
  - 3.2.2 The process of reviewing policies is also hindered by the absence of the strategy;

- 3.2.3 Administration of Service Conditions and Benefits, relies on the Ministerial Determination and PSCBC Resolutions;
  - 3.2.4 The absence of the HRM Strategy is non-compliance to the SASSA Act;
  - 3.2.5 Culture challenges;
  - 3.2.6 Retention of employees; and
  - 3.2.7 Impact on the entire Human Capital Management value chain.
- 3.4 The above mentioned challenges reflects the extent of the adverse impact and prejudice to the employees.
- 3.5 Based on the above mentioned challenges, the Agency has taken a decision to prioritise the development of the HRM Strategy, hence the development of this TOR for the procurement of the service provider to assist with the development of the Strategy.

#### **4 OBJECTIVE OF THE BID**

- 4.1 The objective of the BID is to appoint the service provider for a period of four (4) months to develop a Human Resource Management Strategy for the Agency.

#### **5 SCOPE OF WORK**

- 5.1 The scope of work should cover the following:
- 5.1.1 Conduct a scientific analysis and interrogation of the current SASSA Human Capital Management policies and practices;
  - 5.1.2 Conduct research on related HR Strategy related to the public sector;
  - 5.1.3 Develop the Human Resource Management Strategic document which will encompass amongst others these areas: Organisational Development; Talent Acquisition and retention; Human Capital Development and Performance Management; Employee Wellbeing; Employee Relations and Exit Management.
  - 5.1.4 Consult the draft with relevant stakeholders for inputs;

- 5.1.5 Review the document in line with the inputs and guidelines provided by the stakeholders;
- 5.1.6 Finalise the document and present it for approval; and
- 5.1.7 Provide a close-out report.

## **6 CRITICAL COMPONENTS TO BE INCORPORATED IN THE STRATEGY**

- 6.1 It is expected of the service provider to cover the following critical components for the development of the Human Resource Management Strategy:
  - 6.1.1 Organisational efficiency
  - 6.1.2 Recruitment and Selection
  - 6.1.3 Conditions of Service and Benefits
  - 6.1.4 Talent Management;
  - 6.1.5 Succession Planning;
  - 6.1.6 Learning, development and Knowledge Management;
  - 6.1.7 Performance Management and Rewards;
  - 6.1.8 Employee Wellness and Occupational Health and Safety;
  - 6.1.9 Employee Relations and Stakeholder Management;
  - 6.1.10 Employee Retention; and
  - 6.1.11 Exit Management.

## **7 EVALUATION CRITERIA**

- 7.1 The bid proposals shall be evaluated in accordance with 80/20 preference system as contemplated in the Preferential Procurement Regulation of 2022.
- 7.2 The bid evaluation shall be carried out in terms of the following two (2) stages:
  - 7.2.1 **Stage 1:** Mandatory requirements, Administrative Compliance and Functionality Evaluation
  - Phase 1:** Mandatory Requirements
  - Phase 2:** Administrative Compliance
  - Phase 3:** Functionality Evaluation

### **Stage 1: Phase 1: Mandatory Requirements**

- a) Project Manager allocated to SASSA for this project must be registered with any of the human resource professional bodies in South Africa; and provide a copy of a valid certificate.

***NB!! SASSA will perform due diligence in relation to the information provided by the bidders and failure to comply and any misrepresentation with the above mandatory requirements will result in bid proposal being disqualified.***

### **Stage 1: Phase 2: Administrative compliance**

Bidders must provide the following:

Number	Requirement for administrative compliance
1	Tax Compliance Verification PIN
2	Fully completed and signed SBD documents
3	Proof of registration with CSD
4	A detailed company profile

***NB!! Failure to comply with the above requirements may result in bid being disqualified.***

### **Stage 1: Phase 3: Functionality Evaluation**

- a) Prospective bidders will be evaluated for functionality as stipulated in this TOR. Only those bidders who score a minimum of 60 points out of 100 on functionality will be considered and proceed to be evaluated further on price and specific goals and **80/20** preference point system will also apply.



b) Bidders will be evaluated in terms of the following values:

1 = Poor, 2=Average, 3=Satisfactory, 4= Good, 5=Excellent

Criteria	Weight
<p>The Service Provider to have an experience in the development of Human Resource Management Strategy as outlined in paragraph 5 of this document (scope of work). The content of the letter must cover the following:</p> <ul style="list-style-type: none"> <li>• Name of client/ organisation where contract is being executed/ was executed;</li> <li>• Contract period (indicate start and end dates);</li> <li>• Nature of services provided; and</li> <li>• Contact person and telephone numbers of your client.</li> </ul> <p><b>Failure to provide reference letters indicating the above required information will result in the service provider being allocated a score of one (1) point.</b></p> <p><b><u>Number of years of experience of the service provider</u></b></p> <p><b>The criteria will be as follows:</b></p> <ol style="list-style-type: none"> <li>1. 0-2 years' experience=1</li> <li>2. Above 2-3 years' experience=2</li> <li>3. Above 3-4 years' experience=3</li> <li>4. Above 4-5 years' experience=4</li> <li>5. Above 5 years' experience=5</li> </ol>	20
Project Manager to submit detailed	30

<p>CV's to prove experience and knowledge in the development of Human Resource Management Strategy</p> <p><b>Failure to provide CV's as required above will result in the service provider being allocated a score of one (1) point.</b></p> <p><b><u>The criteria will be based on the years of experience as follows:</u></b></p> <ol style="list-style-type: none"> <li>1. 0-2 years' experience=1</li> <li>2. Above 2-3 years' experience=2</li> <li>3. Above 3-4 years' experience=3</li> <li>4. Above 4-5 years' experience=4</li> <li>5. Above 5 years' experience=5</li> </ol>	
<p>Project successfully completed in the development of Human Resource Management Strategy</p> <p><b>The criteria will be as follows:</b></p> <ol style="list-style-type: none"> <li>1. 1 projects=1</li> <li>2. 2 projects=2</li> <li>3. 3 projects=3</li> <li>4. 4-6 projects=4</li> <li>5. above 6 projects=5</li> </ol> <p><b>NB:</b> Service providers should provide reference letters indicating nature of the project, start and completion dates and quality of work produced.</p> <p><b>Failure to provide reference letters indicating the above required information will result in the service provider being allocated a score of one (1) point.</b></p>	<p><b>20</b></p>

<p>Project Implementation Plan/ Methodology</p> <p>Detailed project plan outlining the following:</p> <ul style="list-style-type: none"> <li>• Project execution methodology;</li> <li>• Project timelines and deliverables;</li> <li>• Resource allocation and responsibilities;</li> <li>• Communication and stakeholder management;</li> <li>• Risk Management; and</li> <li>• Project close-out</li> </ul> <p><b>The criteria will be as follows:</b></p> <ul style="list-style-type: none"> <li>• Implementation plan that addresses 1-2 aspects mentioned above=1</li> <li>• Implementation plan that addresses 3 aspects mentioned above=2</li> <li>• Implementation plan that addresses 4 aspects mentioned above=3</li> <li>• Implementation plan that addresses 5 aspects mentioned above=4</li> <li>• Implementation plan that addresses 6 aspects mentioned above=5</li> </ul> <p>The implementation plan must be relevant to the development of the SASSA Human Resource Management Strategy and failure to</p>	<p><b>30</b></p>

provide relevant proposed methodology may disadvantage the service provider in terms of scoring.	
<b>Total</b>	<b>100</b>

### 7.2.3 Stage 2: Price and Specific Goals

#### Phase 1: Price and Specific goals

Criteria	Weight
Price	80
Specific Goals	20
<b>Total</b>	<b>100</b>

#### Price

$$P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

#### Stage 2: Specific Goals

Preference points will be awarded to a bidder for attaining the specific goals in accordance with the table below:

Specific Goals	Number of points (80/20)
B-BBEE Status Level 1 - 2 contributor with at least 51% black women ownership	20
B-BBEE Status Level 3 - 4 contributor with at least 51% women ownership	18
B-BBEE Status Level 1 - 2 contributor with at least 51% black youth or disabled ownership	16

B-BBEE Status Level 1 - 2 contributor	14
B-BBEE Status Level 3 - 8 contributor with at least 51% youth or disabled ownership	12
B-BBEE Status Level 3 - 4 contributor	8
B-BBEE Status Level 5 - 8 contributor	4
Others (Non-Compliant)	0
<b>Note: In the event of a bidder claiming more than one specific goal category, SASSA will allocate points based on specific goal with the highest points.</b>	

- Bidders must submit a B-BBEE verification certificate from a verification agency accredited by the South African National Accreditation System (SANAS) or certified copies thereof and/or a CSD MAAA number and/or a sworn affidavit indicating the percentage of ownership of all shareholders and/or owners and signed by the commissioner of oaths. A sworn affidavit should be submitted over and above the SANAS or CSD MAAA number to claim for the below contributor level points:
  - B-BBEE Status Level 3-4 contributor with at least 51% women ownership
  - B-BBEE Status Level 3-8 contributor with at least 51% youth or disabled ownership

**NB!! Failure to submit the required documents shall be interpreted to mean that preference points for specific goals are not claimed.**

### **Pricing/Costing Guidelines**

- The rates should be in line with applicable consultants fees guidelines which are gazetted by Department of Public Service Administration (DPSA):  
[https://www.dpsa.gov.za/policyupdates/nlrrm/consultants\\_hourly\\_fee\\_rates](https://www.dpsa.gov.za/policyupdates/nlrrm/consultants_hourly_fee_rates)
- Indirect costs will be based in terms of costs recovery process, which includes disbursement related to travelling costs which are regulated by Automobile Association of South Africa (AA) and/or traffic tariffs as gazetted by Department of Transport; and in terms of applicable National Treasury policies.

- Service providers are required to fully complete amongst others the SBD 3.3
- The quoted price must be in rand value and inclusive of VAT and must be fixed until the finalisation of the project and payment.

## **8 PROJECT DURATION/ TIME FRAMES**

- 8.1 The determined contractual period of this project is four (4) months, calculated from the project commencement date.
- 8.2 The successful service provider is required to start the project soon after receipt of the purchase order (instruction to proceed).
- 8.3 The service provider will be required to update the project plan in line with the commencement date.

## **9 COMPULSORY BRIEFING SESSION**

- 9.1 The service provider is invited to attend the compulsory briefing session as per the date and time that will be provided in the Request for Quotation (RFQ).
- 9.2 The compulsory briefing session will be held virtually (Ms Teams) and the link will be provided in the RFQ.
- 9.3 All enquiries and questions that may arise will be answered during the briefing session.
- 9.4 No meetings or telephonic enquiries related to technical matters will be entertained or responded to with regards to this Bid.  
NB: Failure to attend the compulsory briefing session will result in the bidder's submitted proposal being disqualified.

## **10 GENERAL BID CONDITIONS**

- 10.1 The contract will be managed in line with the applicable General Conditions of Contract (GCC) as issued by National Treasury.
- 10.2 The Agency reserves the right not to accept the lowest bid.
- 10.3 The Agency reserves the right to return late bids submissions unopened.
- 10.4 The Agency reserves the right to cancel or not to award the bid to any Bidder.
- 10.5 The Agency reserves the right to negotiate the price with the preferred bidder.

- 10.6 The Agency reserves the right to conduct reference checks in terms of the reference letters provided.
- 10.7 Bidder/s shall be disqualified if found to have misrepresented information on the bid documents.
- 10.8 The appointed bidder will be required to invoice the Agency based on deliverables.
- 10.9 The appointed bidder should ensure that the resources that were included during the submission of the bid proposal are available on the commencement of the project. If the resources are no longer available, the service provider must ensure that they replace such resources with new resources that have the similar qualifications, valid certificate with any human resource management professional body, years of experience and skills.

## **11 SUBMISSION OF BIDS**

- 11.1 All responses must be sealed and clearly marked as follows:  
Name of Bidder  
Bid Ref#
- 11.2. Responses must be hand delivered to the below address:  
SASSA HOUSE  
501 Prodinsa Building  
Cnr Steve Biko and Pretorius streets  
Arcadia, Pretoria
- 11.3 Responses to be directly inserted into the Tender Box located at the above mentioned office.
- 11.4 The Agency shall not be held accountable, nor will it consider any entries where Bid Documents were not directly inserted into the Tender Box before the closing date and time and was instead handed over to an individual.

## **12 CONFIDENTIALITY**

- 12.1 All information and data to which the service provider has access shall be treated as being of a secret/confidential nature and will be subject to the restraints on disclosure thereof.