



REQUEST FOR PROPOSAL (RQP)

RFP NUMBER: RFQ/HRM/25/26/168			
CLOSING DATE	25 September 2025	CLOSING TIME	16:00
PHYSICAL ADDRESS		POSTAL ADDRESS	
merSETA Head Office Metropolitan Park, Block C 8 Hillside Road Parktown Johannesburg 2193			

SUPPLY CHAIN CONTACTS AND ENQUIRIES	
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Reviewed: Senior Manager: Supply Chain and Contract Management		Controlled: Chief Executive Officer	

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1. Introduction to Request for Proposal (RFP)

1.1 The Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) is a Schedule 3A public entity established in terms of the Skills Development Act (Act No. 97 of 1998), Registration Number 17/merSETA/01/04/20, to facilitate skills development for the Metal and >?, Motor Retail and Components Manufacturing, Automobile Manufacturing, Plastics Manufacturing and New Tyre Manufacturing Sectors Automotive Components Manufacturing Chamber.

The merSETA is inviting potential service providers to submit the proposal for the services described under scope of work.

1.2 This RFP is subject to the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) and the Preferential Procurement Regulations (2022 Regulations), the General Conditions of Contract (GCC), and, if applicable, any other special conditions of contract. Where, however, the special conditions of the contract conflict with the general conditions of the contract, the special conditions of the contract prevail.

2. Background Information

The Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) was established in 2000 to promote skills development in terms of the Skills Development Act (Act No. 97 of 1998 as amended).

The merSETA facilitates skills development in the manufacturing, engineering, and related services that encompass the following sectors: Automotive, Metal, Motor, Tyre, Plastics, and Automotive Components Manufacturing.

3. Objectives of the Service

3.1 The objective of this project is to solicit proposals from experienced bidders for the provision of comprehensive Remuneration and Service Benefits. The key activities include:

- a) Conducting salary benchmarking exercises
- b) Reviewing remuneration and benefits structures
- c) Developing frameworks and budgets
- d) Engaging stakeholders and conducting training sessions
- e) Providing job evaluation services
- f) Preparing detailed reports and recommendations

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- g) Preparing an Implementation Plan, post approval by the designated authority.

4. Scope of Work (Service)

4.1 Development of Frameworks and Costings

4.1.1 Source Salary Benchmarking Exercises

- a) Conduct comprehensive salary benchmarking with comparable organizations, including other SETAs and PFMA Schedule 3A entities of similar size.
- b) Perform ad-hoc benchmarking for specific roles as required.
- c) Review current remuneration structures and propose market-aligned salary and benefit adjustments.
- d) Conduct a holistic evaluation of current salaries, considering allowances, contributions, and industry best practices.
- e) Provide actionable recommendations for policy updates and implementation strategies.
- f) Develop a benefits and remuneration structure and establish a reward index for equitable compensation.
- g) Facilitate stakeholder consultations to incorporate feedback and finalize submissions. These sessions will either be virtual or in-person, and this will be finalized with the appointed bidder.
- h) Present findings to union representatives, management teams and governance structures.
- i) Train HR staff on modern remuneration practices and methodologies.
- j) Draft and present salary and benefits budgets for review and approval.

NB: Training, consultations and engagements sessions will either be conducted virtually or in-person, merSETA will be responsible for the logistics for the sessions (Venue).

4.1.2 Salary Review

- k) Include all positions in the salary review.
- l) Review salary adjustments, including cost-of-living adjustments.
- m) Advice on best practices for salary reviews.

4.2. Benefits Review

- a) Review all monetary and non-monetary benefits.

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- b) Consider additional benefits offered by comparator organizations(e.g. Housing Allowances, Medical Aid Allowances, etc.)
- c) Review performance-related incentives.

4.3. Job Evaluation Services

- a) Present and seek approval for the Paterson grading methodology.
- b) Conduct evaluations based on job profiles.
- c) Provide a detailed report on methodology and recommended grades.
- d) Consider organizational structure in evaluations.
- e) Engage stakeholders for input and final submissions.
- f) Provide training on job evaluation processes.

5. Deliverables

5.1 Remuneration & Benefits

- a) Conduct thorough salary benchmarking with organizations similar to merSETA, including other SETAs, PFMA Schedule 3A entities with comparable mandates, and companies within the merSECTOR (Metals, Manufacturing, Engineering, Plastics, Tyres, and Automotive industries).
- b) Perform ad-hoc benchmarking for specific roles within the external market as needed.
- c) Review and recommend salary levels, allowances, and key benefits to ensure alignment with industry standards and competitiveness.
- d) Evaluate current remuneration structures, including housing, medical aid, and pension fund contributions, and provide recommendations for improvement.
- e) Provide detailed cost analyses and justifications for proposed adjustments.
- f) Support HR teams in implementing benchmarking results and updating relevant policies.

5.2 Service Benefits Reviews

- a) Evaluate current remuneration structures, considering housing, medical aid, and pension fund contributions.
- b) Provide detailed cost analysis and justification for any re-evaluations.
- c) Support HR in implementing benchmarking results and updating policies.
- d) Evaluate and review pension fund benefits structure.

5.3 Development of Frameworks and Costings

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- a) Create a comprehensive remuneration framework aligned with best practices and legislation.
- b) Develop annual salary and benefits budgets for approval.
- c) Recommend a reward index for equitable allowances and incentives.

5.4 Stakeholder Engagement and Training

- a) Engage with management, HR, the union, and other governance structures to finalize reports.
- b) Present findings and proposed approaches to stakeholders.
- c) Conduct training workshops for HR staff on remuneration practices.

5.5 Conduct Job Evaluation Service

5.5.1 Paterson grading Methodology

- a) Present the proposed Paterson grading methodology for approval.
- b) Conduct job evaluations based on provided job profiles and advice on appropriate grades and levels.

5.6 Reporting and Recommendations

- a) Deliver a detailed report on the methodology, recommended grades, and motivations.
- b) Consider the organizational structure and current job framework in evaluations.

5.7 Stakeholder Engagement and Training

- a) Engage with management, HR, and unions to finalize the job evaluation report.
- b) Provide and present training on job evaluation processes (12 people).

6. Project Timeline

6.1 The estimated duration of this project is twenty-four (24) months from the date of signing the SLA.

7. RFP Submission

7.1 Bid documents may be emailed to quotations@merseta.org.za on or before the closing date and closing time.

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8. Late submissions of the RFP

Submission of quotation(s) received late (after the closing date and time) will not be considered.

9. Request for Proposal (RFP) Rules

9.1 The following rules will apply for this Request for Proposal:

- 9.1.1 The price(s) quoted shall be valid for a minimum period of 60 days from the closing date and time of this RFP.
- 9.1.2 The price(s) quoted must be firm and inclusive of value-added tax (VAT) where applicable.
- 9.1.3 The price(s) must include all related expenses, i.e., transport, accommodation, etc. (where applicable).
- 9.1.4 A potential supplier or service provider must be validly registered on the Central Supplier Database (CSD), as hosted by the National Treasury.
- 9.1.5 Only an official purchase order or appointment letter issued by the merSETA will bind the merSETA.

10 Bid Evaluation Process

10.1 The RFP will be evaluated in terms of PPPFA 05 of 2000 and Preferential Procurement Regulation 2022 (80/20).

10.1.1 Evaluation Stage 1: Compliance

10.1.1.1 All bidders must comply with the administrative requirements outlined in the Standard Bidding Documents and the mandatory requirements listed below. All bidders failing to provide the required information and documentation in this evaluation stage will face disqualification from further evaluation.

- a) Standard Bidding Document (SBD 4)
- b) Pricing Schedule completed in full
- c) Standard Bidding Document (SBD 6.1)

10.1.2 Evaluation Stage 2: Technical Evaluation

10.1.2.1 Bidders must meet the minimum technical specification requirements in this evaluation stage to advance to the next evaluation stage. Failure to meet the prescribed technical specification will automatically disqualify the bid offer from

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proceeding to the next evaluation stage. **Any bid that fails to meet the overall minimum threshold of 90% or has not received the minimum score for any individual component thresholds will be disqualified for further evaluation on stage 3.**

Each proposal that passed functional evaluation of **90%** and more, will be on equal footing to proceed to the final round of evaluation on price and specific goals

No	Requirements	Criteria	Points
1.	<p>The bidder must demonstrate the capacity to deliver the service(s) as per scope of work or similar.</p> <p>Evidence of bidder's years of experience in developing, designing, and implementing remuneration practices; salary benchmarking and job evaluation. The bidder's company profile must reflect such knowledge and experience for rendering the service as per scope of work or similar. The company registration document must be provided.</p> <p>Note 1: Attach company profile that clearly indicate the number of years of bidders experience</p> <p>Note 2: Bidder must attach SARA</p>	Six (6) years and above experience in developing, designing, and implementing remuneration practices; salary benchmarking and job evaluation and the BIDDER has good standing membership of South African Reward Association (SARA)	30
		Four (4) to Five (5) years of experience in developing, designing, and implementing remuneration practices; salary benchmarking and job evaluation and the BIDDER has good standing membership of South African Reward Association (SARA)	20
		Less than four (4) years' experience in developing, designing, and implementing remuneration practices; salary benchmarking and job evaluation and the Bidder has no good standing membership of South African Reward Association (SARA)= 0	0
2.	<p>Lead Consultant/ Project Manager</p> <p>The bidder must prove capacity to undertake a project of this nature and capacity to carry out such mandates by providing the merSETA with a curriculum Vitae (CV), copies of the qualifications and proof of registration of the lead consultant assigned to the project.</p> <p>Note1. CV, copies of the qualifications and proof of registration with the professional body must be attached</p>	Lead Consultant/Project Manager must have experience in Remuneration or Employee Benefits with evidence of at least five (5) and above years' of experience of which two (2) years have been in the public sector, in developing, designing, and implementing remuneration practices, salary benchmarking and job evaluation (Patterson) initiatives , and the lead consultant must be a member of South African Reward Association (SARA) or Institute of People Management (IPM) or a Certified Compensation Professional (CCP) or have a certificate of Global Remuneration Pay (GRP) Certificate/s and related National Qualifications Framework (NQF) Level 7 and above qualifications attached. = 20	20
		Lead Not compliant on any of the requirements. = 0	0

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3.	The bidder's track record. The bidder must provide three (3) relevant signed contactable references on the company letterheads, The service should have been rendered between 2018 to date. NOTE: The nature of the service provided and the date and duration thereof must be clearly stated on the reference letter .	Three (3) and above relevant reference letters provided of services rendered between 2018 to date.	20
	NOTE(1): The merSETA reserves the right to contact the referee/s. NOTE 2 NOTE (3): Appointment Letters / Award Letters will not be regarded as a reference letter.	Less than three (3) reference letters or irrelevant reference letters provided of services rendered between 2018 to date.	0
4.	The bidder must demonstrate technical capacity and provide a detailed proposed methodology / project proposal and a project plan with indicative timelines.	Full Compliance The bidder demonstrates strong technical expertise in the development, design, and execution of remuneration frameworks, including salary benchmarking and job evaluation. Comprehensive evidence has been provided, covering all elements specified in the scope of work. The bidder has submitted a clear and well-structured methodology and implementation plan, outlining the approach, key activities, deliverables, and timelines. A detailed project plan is also attached.	30
		Non-compliant The bidder didn't meet all the mandatory requirements as per scope of work.	0
TOTAL WEIGHTING			100
MINIMUM WEIGHTING SCORE			90

10.1.3 Evaluation Stage 3: Preference Point System

10.1.3.1 The 80/20 preference point system shall be applicable to this phase, where 80 points represent the maximum obtainable points for the lowest acceptable price and 20 points represent the specific goals. The bid documentation's table below will award points to a bidder for achieving the specific goals.

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The specific goals allocated points in terms of this tender	Number of points Allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Tenderer who has 51% to 100% black people ownership	6	
Tenderer who has 30% to 100% black women ownership	4	
Tenderer who has 30% to 100% black youth ownership	4	
Tenderer who has 30% to 100% White women ownership	2	
Tenderer who has 20% or more owners with disability	4	
Total Points allocated to Specific Goals	20	

Note: Refer to Annexure A for Proof or documentation that may be considered to claim points for specific goal related to persons or categories of persons historically disadvantaged by unfair discrimination.

11 Cost Proposal

11.1 All prices must be VAT inclusive (where applicable) and must be quoted in South African Rand (ZAR).

11.2 The rates of remuneration will be subject to negotiation, not exceeding the applicable rates as contained in the guidelines:

11.2.1 The “Guideline on Fees for Audits done on behalf of the Auditor-General of South Africa (AGSA)¹” as issued by the South African Institute of Chartered Accountants (SAICA).

11.2.2 The “Guide on Hourly Fee Rates for Consultants”, as issued by the Department of Public Service and Administration (DPSA); and/or

11.2.3 Remuneration guidelines issued by professional service organisations or regulatory bodies, as may be relevant.

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12 merSETA's RIGHTS

- 12.1 The merSETA is entitled to amend any bid condition, bid validity period, RFP specification, or extend the bid closing date, all before the bid closing date. All bidders, to whom the RFP documents have been issued and where the merSETA has records of such bidders, may be advised in writing of such amendments in good time, and any such changes will also be posted on the merSETA's website under the relevant tender information. Therefore, before submitting their bid response, prospective bidders should regularly check the website to stay informed about any amendments related to this matter.
- 12.2 The merSETA reserves the right not to accept the lowest priced bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to the merSETA.
- 12.3 The merSETA reserves the right to award this bid as a whole or in part.
- 12.4 The merSETA reserves the right to conduct site visits at bidder's corporate offices and or at client sites if so required.
- 12.5 The merSETA reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in National Treasury Instruction 02 of 2016/2017: Cost Containment Measures, where relevant.
- 12.6 The merSETA reserves the right to request all relevant information, agreements, and other documents to verify the information supplied in the bid response. The bidder hereby gives consent to the merSETA to conduct background checks, including FICA verification, on the bidding entity and any of its directors, trustees, shareholders or members.
- 12.7 The merSETA reserves the right, at its sole discretion, to appoint any number of vendors to be part of this panel of service providers, if applicable (i.e., where a panel is considered).
- 12.8 The merSETA reserves the right to make a final decision on the interpretation of its tender requirements and responses thereto.
- 12.9 The merSETA reserves the right to consider the professional conduct and experience it had with any bidder that rendered similar services to the merSETA in the past 5 years over and above the references put forward by the bidder in its response.

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13 UNDERTAKINGS BY THE BIDDER

- 13.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to the merSETA on the terms and conditions and in accordance with the specifications stipulated in this RFQ document.
- 13.2. The bidder shall prepare for a possible presentation should merSETA require such, and the bidder will be required to make such a presentation within five (5) days from the date the bidder is notified of the presentation. Such a presentation may include a practical demonstration of products or services as called for in this RFP.
- 13.3. The bidder agrees that the offer contained in its bid shall remain binding upon him/her and receptive for acceptance by the merSETA during the bid validity period indicated in this RFP, and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.
- 13.4. The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s) and rate(s) cover all his/her obligations under a resulting contract for the services contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.
- 13.5. The successful bidder accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under the supply agreement and SLA to be concluded with merSETA, as the principal(s) liable for the due fulfillment of such a contract.
- 13.6 The bidder accepts that all costs incurred in the preparation, presentation, and demonstration of the solution offered by it shall be for the account of the bidder. All supporting documentation and manuals submitted with the bid will become merSETA property unless otherwise stated by the bidder(s) at the time of submission.

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ANNEXURE A

Specific Goal Guide – Preferential points (80/20)

This specific goal guide will be used to assist providers in submitting relevant documents to confirm specific goals.

“Specific goals” means specific goals as contemplated in section 2 (1) (d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of Reconstruction and Development programme as published in government gazette No. 16085 dated 23 November 1994.

Please note that:

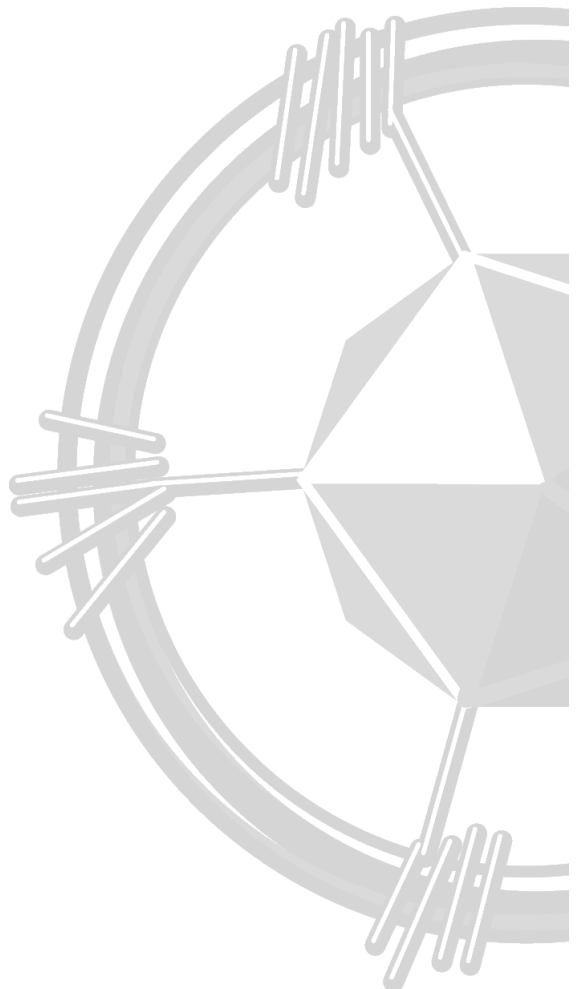
- **Financial account, management account or auditors’ letter should be submitted confirming turnover of the company determining BBBEE status on Affidavit and B-BBEE CIPC certificate in order for the specific goals can be awarded.**

Preferential points for tenders without local content requirements.

<input type="checkbox"/> Specific goal	80/20 Preference Point system	Example of Submission	Tick if relevant document submitted	Indicate which document has been submitted
Black People Ownership – 51% or more	6	Valid B-BBEE certificate/Affidavit or B-BBEE CIPC		
Black Women Ownership – 30% or More	4	Valid B-BBEE certificate/Affidavit or B-BBEE CIPC		
Black Youth Ownership – 30% or More	4	Valid BBBEE certificate/Affidavit or B-BBEE CIPC		
White Women Ownership – 30% or More	2	Valid B-BBEE certificate/Affidavit or B-BBEE CIPC		
People with Disability (PwD) Ownership	4	Medical certificate		
Total Points allocated to Specific Goals	20			

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AUTHORISATION SIGNATORIES TO CONFIRM RFP			
The employee signing below hereby affirms the accuracy of the information requested for the proposal.			
Supply Chain Management Representative			
Full Names	Karabo Phalo	Date	16 September 2025
Signature			
Technical Representative			
Full Names	Cynthia Ditlhokwe	Date	
Signature			



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ANNEXURE B - PRICING SCHEDULE

The bidder financial proposal must be of the project and including envisaged hours and relevant hourly/daily rates inclusive of VAT, and all other relevant costs.

The “Guide on Hourly Fee Rates for Consultants”, as issued by the Department of Public Service and Administration (DPSA); and/or

Remuneration guidelines issued by professional service organisations or regulatory bodies, as may be relevant will be applied.

The bidder must complete the attached Pricing schedule.

Item	Activities	R VAT (Inc)
1.	Remuneration and benefits review(s) Development of a Remuneration and benefits framework. Review of the remuneration policy and procedure and other related policies Development of merSETA remuneration and benefits structure Reporting and Recommendation of salary levels, benefits and any other non-salary remunerations for all positions	
2.	Employee Engagement Surveys	
3.	Training workshop on remuneration and benefits practices and methodologies	In-person
4.	Stakeholder Engagements and Training	In-person
5.	Travel cost (rate per kilometre (KM))	

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JOB EVALUATIONS - (ad hoc as required)

Position Level (one person within each category)	Cost Per Position (VAT Inc)
Executive	
Senior Management	
Middle Management	
Specialists and Officers	
Administration/Clerk	

SALARY BENCHMARKING EXERCISE

Item	Activities	Cost (VAT Inc)
	Comprehensive salary benchmarking exercise	

Item	Activities	Cost per position (VAT Inc)
	Ad hoc salary benchmarking exercise (per role)	

OTHER COSTS	
Please detail	

TOTAL BID PRICE	
VAT (Inc)	

***NB: Costing should cover all elements as per the scope**

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