



SOUTH AFRICAN HERITAGE RESOURCES AGENCY

TERMS OF REFERENCE

THE SOUTH AFRICAN HERITAGE RESOURCES AGENCY (SAHRA) INVITES ALL SUITABLY, QUALIFIED AND EXPERIENCED SERVICE PROVIDERS TO SUBMIT PROPOSALS FOR THE PROVISION OF SHORT-TERM COMPREHENSIVE INSURANCE SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS

SAHRA/SCM/INSURE/2024



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16 May 2024

1. PURPOSE

- 1.1 The South African Heritage Resources Agency (SAHRA) hereby invites suitably qualified and experienced service providers to submit proposals for the provision of short-term comprehensive insurance cover for a period of 36 (thirty-six) months.

2. BACKGROUND

- 2.1 The South African Heritage Resources Agency (SAHRA) is an agency of the Department of Sport, Arts and Culture (DSAC) and is the national administrative body responsible for the management and protection of South Africa's cultural heritage resources.
- 2.2 SAHRA is a statutory entity established under the National Heritage Resources Act, No. 25 of 1999 and, together with the provincial heritage resources authorities, is one of the bodies that replaced the National Monuments Council. The primary objective of SAHRA is to coordinate the identification and management of the national estate which is defined as heritage resources of cultural and other significance.
- 2.3 As a Schedule 3A public entity, SAHRA is responsible for the safeguarding of all its movable and immovable assets in terms of the Public Finance Management Act (PFMA), Treasury Regulations and other applicable legislation.
- 2.4 SAHRA currently utilises a broker who administers and manages the insurance portfolio between SAHRA and the underwriters. The brokers liaise with SAHRA's Asset Management officials in terms of claims and any other necessary requirements and correspondence. The signed policy documents are provided to indicate the cover and applicable excess or claim procedures and limitations to the insurance cover.
- 2.5 SAHRA seeks to appoint a service provider that will improve and bring non-existing systems in terms of insurance cover. This includes a simplified and user-friendly process of corresponding with the service provider. Such systems must take away the burden of administering the whole insurance portfolio.





3. SCOPE OF THE SERVICE REQUIRED

3.1 SAHRA seeks to appoint an experienced and accredited Short Term Insurance service provider to:

3.1.1. Provide short term comprehensive insurance cover for a period of 36 (thirty-six) months.

3.1.2 Provide comprehensive insurance cover for losses which may be incurred due to:

- i) Property Theft and Vandalism
- ii) Accidental Damages
- iii) Natural causes which may bring losses/damages to any asset.
- iv) Operational risks
- v) Fire
- vi) Comprehensive Vehicle Cover including roadside assistance.
- vii) Business all risks
- viii) Assets All risks

3.2 Provide comprehensive insurance cover for all movable and immovable assets of SAHRA – this includes but is not limited to:

- a) SAHRA's immovable heritage properties. This includes buildings which have varied heritage significance, some of which have thatched roofs. SAHRA also owns 36 properties some of which are occupied either through lease agreements, used as office space and the remaining are unoccupied with the intent of restoring and occupying.
- b) Office Equipment – This includes various types of electronic and mechanical office equipment.
- c) Other movable electronic equipment – which includes cameras, overhead projectors, laptop/notebooks, and cell phones/tablets.
- d) Office Furniture and Fittings – which includes various types of wooden/steel/plastic furniture and fittings. Some which are fixtures and some which are unfitted. All these items/equipment are office based.
- e) Plant and Equipment - list to be provided.
- f) Different model company vehicles – list to be provided.





- 3.3 Provide SASRIA Cover where necessary.
- 3.4 Provide roadside assistance for all SAHRA vehicles.
- 3.5 Provide advice on value for money regarding the cost of insurance means of cost saving on insurance costs.
- 3.6 Provide a clear and user-friendly claim procedure and a 7 – 15 working days turnaround time.
- 3.7 Provide quarterly reports on claims (claims processed and paid out/finalized/closed/rejected, claims in progress).
- 3.8 Provide a qualified and experienced contact person to deal with the Portfolio of SAHRA and provide the necessary guidance to the Supply Chain Management (SCM) Unit.
- 3.9 The list for all SAHRA assets is listed on the following Annexures;
 - 3.9.1 **Annexure A** - Heritage Assets Register. This register lists all heritage properties that SAHRA owns in the categories of Land and Buildings, Arts and Artifacts and Library Books.
 - 3.9.2 **Annexure B** - Plant and Equipment Register. This register lists all items of Land and Buildings Furniture and Fixtures, Motor Vehicles, Library Books, ICT Equipment and Office Equipment and Leasehold Improvements.
 - 3.9.3 **Annexure C** - Fleet Register. This register lists all the vehicles that SAHRA owns.
- 3.10 Cover for other Assets:
 - 3.10.1 Fences around dams, trees, plants, graves, tombstones, monuments and statues.
 - 3.10.2 Trees, shrubs or plants (Values are provided on the Heritage Assets Register).
 - 3.10.3 Monuments and Statues (Values are provided on the Heritage Assets Register).
 - 3.10.4 Graves and Tombstones (Values are provided on the Heritage Assets Register).
 - 3.10.5 Properties occupied by SAHRA customers/clients.
- 3.11 A claims register from 2018 to date is attached on **Annexure D** reflecting the past 5 years.
- 3.12 The contract for the provision of short-term comprehensive insurance cover for a period of 36 (thirty-six) months is expected to commence on 1st July 2024.





4. REQUIREMENTS FOR CONTENT OF THE PROJECT PROPOSAL

4.1 The project proposal must contain the following mandatory elements:

- 4.1.1 Company profile of the bidder, outlining experience, competence, qualified personnel, organogram of the company, methodology proposed on how the SAHRA portfolio is to be managed.
- 4.1.2 Detailed benefits, limitations, exclusions, and sum insured for each cover.
- 4.1.3 All fixed or variable costs must be stated on the proposal. Any relevant or inherent costs such as excess, claim preparation costs and any costs are to be included in the proposal. A fixed combined cost of the premiums in South African Rand inclusive of VAT must be specified. The premiums must be quoted monthly and annually.
- 4.1.4 Valid registration documents for provision of Financial Services and Short-Term Insurance.
- 4.1.5 Service providers need to be aligned with the condition of heritage assets that need to be insured (Old and worn-out assets with no cameras/ alarm systems).

5. TERMS AND CONDITIONS

- a) All costs and expenses incurred by the potential service providers relating to their project proposal will be borne by each respective service provider. SAHRA is not liable to pay such costs and expenses or to reimburse or compensate service providers in the process under any circumstances, including the rejection of any proposal or the cancellation of this project.
- b) SAHRA reserves the right to request new or additional information regarding each bidder and any individual or other persons associated with its proposal.
- c) SAHRA may require responsive bidders to present and discuss their proposals in person.
- d) SAHRA reserves the right not to make any appointment from the proposals submitted.
- e) Bidders shall not issue any press release or other public announcement pertaining to details of their project proposal without the prior written approval of SAHRA.
- f) Bidders are required to declare any conflict of interest they may have in the transaction for which the bid is submitted or any potential conflict of interest. It is important that bidders declare their conflict of interest through completion of relevant attached forms.
- g) SAHRA reserves the right not to consider further any bid where such a conflict of interest exists or where such potential conflict of interest may arise.





- h) Any and all project proposals shall become the property of SAHRA and shall not be returned.
- i) The bid offers, and proposals should be valid and open for acceptance by SAHRA for a period of 120 days from the date of submission.
- j) Bidders are advised that submission of a proposal gives rise to no contractual obligations on the part of SAHRA.
- k) SAHRA reserves the right not to award the bid to the bidder that scores the highest points.
- l) Disputes that may arise between SAHRA and a bidder must be settled by means of mutual consultation, mediation (with or without legal representation) or, when unsuccessful, in a South African court of law.
- m) In addition to adherence to the specific terms and conditions of proposals, provided in this document, the bidder shall be bound by the provisions of the General Conditions of Contract attached hereto, an original signed copy of which must be submitted together with all other bid documentation.
- n) All returnable bid documents must be completed in full and submitted together with the bidder's proposal. Should the returnable documents not be completed, the bid will not be considered any further.
- o) The successful bidder will be subject to supplier clearance process as prescribed by the National Treasury. This process includes verification of supplier and its shareholders/directors/members' status on the list of defaulters and restricted suppliers.
- p) The proposal must include a company profile/ organization profile, comprising a description of the organization of the bidder, its primary business activity, clients experience, management etc, including at least three references for companies, to whom the service provider has supplied the same service.
- q) After the successful service provider has received the purchase order, they must be able to deliver in full compliance with South African approved standards and in compliance to the specifications provided.
- r) The service provider must provide proof of a valid license to transact business as a financial service conduct authority issued by the Financial Sector Conduct Authority (FSCA) as per Financial Advisory and Intermediary Services act. (FAIS Act).





6. RETURNABLE DOCUMENTS

- a. SBD 1 Invitation to BID
- b. SBD 2 Tax Compliance Pin
- c. SBD 3.1 Pricing Schedule
- d. SBD 4 Bidder's Disclosure
- e. SBD 6.1 Preference points claim form (valid BBBEE certificate / Sworn Affidavit must be submitted together with this completed document).
- f. SBD 7.2 Contract Form - Rendering of Services
- g. General Conditions of Contract

7. EVALUATION CRITERIA

- a) All proposal offers received shall be evaluated based on the following phase out approach:
 - **Phase one:** Compliance to the terms of reference and conditions of the tender. Failure to meet any of the conditions of the tender will automatically disqualify your tender on this phase.
 - **Phase Two:** Functionality Criteria as set out below

Functional Criteria	Weightings
1. The total value of the contracts (assets) they have insured.	30
<ul style="list-style-type: none"> ▪ Less than 5 million Rands = 1 ▪ Between 5 million Rands and 25 million Rands = 2 ▪ Between 25 million Rands and 7 5million Rands = 3 ▪ Between 75 million Rands and 100 million Rands = 4 ▪ More than 100 million Rands = 5 	
The service provider must submit the proof in the form of the appointment letters, and list of contracts with contactable details (list of contracts must provide a value on the sum insured).	





Functional Criteria	Weightings
2. Number of client portfolio: Short term and long-term Insurance experience of the Insurance broking company: ▪ 10 or more client portfolio = 5 ▪ 7 – 9 client portfolios = 4 ▪ 4 - 6 client portfolio = 2 ▪ Less than 3 client portfolios = 0 Written reference letters or list of contactable details (email addresses, Valid Telephone/cell phone numbers from each of the clients. – please include name of company, contact name, and contact details.	40
3. Experience in the short-term insurance industry. Between 0 – 3 years = 1 Between 3 – 7 years = 2 Between 7 – 10 years = 3 Between 10 – 15 years = 4 More than 15 years = 5 The service provider will be evaluated on the number of years as a registered insurer with FSCA and company profile will assist in determining the years of experience.	30
Total	100

A bidder must obtain a minimum of 60 points to progress to the next phase. Failure to obtain 60 points will render your proposal nonresponsive.

- **Phase three:** The applicable preference point system for this tender is the 80/20 preference point system. Preference points on specific goals as follows.

Preference Point System	Points
Price	80
Specific Goals	20
Black owned company	8
Women	4
Youth	5
Disability	3
Total points for Price and SPECIFIC GOALS	100





8. Price (VAT included)

80 Points for price will be awarded with reference to the total fixed proposal amount inclusive of VAT. The service provider with the lowest price shall score the maximum of 80 points.

Bidders are requested to provide a proposal with a clear break down of annual insurance cover.

9. SUBMISSION OF PROPOSALS

- 9.1 Proposals must be submitted in a sealed envelope, marked as confidential and for the attention of **Supply Chain Management**.

Placed in the Tender Box at the SAHRA Head Office, 111 Harrington Street, District Six, Cape Town.

Bids can also be emailed to: tenderinfo@sahra.org.za

- 9.2 SAHRA takes no responsibility for mailed tender documents. It is the onus of the service provider to ensure that the document is placed in the Tender Box before closing date and time.

10. CLOSING DATE

Closing date for bid offers and proposals: 14 June 2024 at 11:00 no late proposals will be accepted after the closing time.

11. **For Supply Chain Management and Technical information, information, please contact:**

Supply Chain Management

Ms. Yonela Somtsewu

SCM Manager

The South African Heritage Resources Agency

111 Harrington Street

Cape Town

8000

Tel: 021 462 4502 / 021 202 8664

Email: ysomtsewu@sahra.org.za

