



## **REQUEST FOR QUOTATIONS (RFQ)**

**Description of Services: Provision for Remuneration practices and benchmarking exercise**

**RFQ number: NHFC/HO/05/02**

**Request date: 28 April 2023**

**Closing date: 11 May 2023 (No late submissions will be considered)**

**Closing date: 11:00am**

### **SUPPORTING DOCUMENTS**

The following copies must be attached when returning the RFQ:

1. Copy of a valid B-BBEE Certificate/ Sworn Affidavit (Non disqualifying item but non-submission will render the bidder as non-compliant for B-BBEE points).
2. CSD Registration Summary Report,
3. Tax Compliance Status Pin -No award will be made to the bidder who failed to supply NHFC with a tax compliant quotation.

### **COMPULSORY DOCUMENTS**

1. Submission of the following Signed and Completed Standard Bid Documents (SBD) Forms which are attached to this request:
  - SBD 4: Bidder's Disclosure-failure to complete and sign the SBD document will render your bid non-responsive.
  - SBD 6.1 Preference Points Claim Form in terms of preferential procurement-failure to complete and sign the SBD document will render your bid non-responsive.

2. A certificate in good standing of membership with SAMRA
3. All quotes must be prepared according to the Scope of Work/Key Deliverables

The assessment of the submission will be based on the above-mentioned

documentation. Exclusion of required items may cause a disqualification. Bidders who fail to submit the required supporting documents with their bids will be requested to submit them within **24 hours** of the closing of bid for inclusion in the Bid for evaluation, if a bidder fails to submit the required supporting documents within the stipulated time, their bid may be rejected.

### **Conditions.**

1. Price(s) quoted must be valid for at least ninety (90) days from the date of your offer and be according to the RFQ document.
2. Price(s) quoted must be firm and inclusive of VAT (If VAT registered) and inclusive of all costs.
3. All quotes must be prepared according to the Scope of Work/Key Deliverables.
4. The assessment of the submission will be based on the above-mentioned documentation. Exclusion of required items may cause a disqualification.
5. The NHFC reserves the right to reject submitted quotation(s) if it discovers that the bidder (or its directors/members) has any serious adverse reports, whether confirmed by a court or not, such as:
  - Being cited as aiding and abetting state capture,
  - Involvement in fraud and / or corrupt activities;
  - Misrepresenting audit outcomes of an organisation;
  - Listed on the National Treasury restricted database;
  - Being under investigation or facing allegations that may result in criminal charges; or
  - Any report as a result of which the NHFC may suffer reputational harm in any way by doing business with the bidder;

## PRICING SCHEDULE

The price to be VAT inclusive. (If VAT is applicable)

The quotation must be submitted via email to [quotations01@nhfc.co.za](mailto:quotations01@nhfc.co.za)

## ENQUIRIES

Enquiries regarding the RFQ must be directed to the below persons in **writing only: SCM**

### Enquiries

**Pabalelo Shirindza**

Tel:011 644 9929

[quotations@nhfc.co.za](mailto:quotations@nhfc.co.za)

## TERMS OF REFERENCE

### 1. INTRODUCTION

The National Housing Finance Corporation (NHFC) was established by the National Department of Human Settlements as a development finance institution (DFI) in 1996, with the principal mandate of broadening access to affordable housing finance for the low- and middle-income households.

NHFC is a national public entity, the NHFC adheres to the regulatory framework of the Public Finance Management Act (PFMA) of 1999.

The NHFC provides wholesale funding in the affordable housing market mainly to social housing institutions, non-banking retail intermediaries, privately owned property developers, construction companies and investors. It also provides loans and other form of wholesale funding (equity and quasi equity) to certain niche businesses that are in the affordable housing market.

### 2. BACKGROUND OF REQUEST FOR QUOTATIONS (RFQs)

The NHFC is looking at revising its Remuneration Policy and it is therefore seeking proposals from suitably qualified service providers with a track record to do a Remuneration Practices Benchmarking Exercise from Financial Institutions in both the Private and Public sectors of business. Our interest is in ensuring that our remuneration practices are not far out of line with practices in entities with similar business models to that of the NHFC in order that we are able to attract as well as retain talent in the entity.

### 3. PURPOSE OF REQUEST FOR QUOTATION (RFQ)

The purpose of this Request for Quotations (RFQs) is to solicit quotations from suitably qualified service providers who have a proven track record to do a Remuneration Practices Benchmarking Exercise from the Financial Industry both in the Private and Public sectors of the business.

### 4. SCOPE OF WORK

Benchmarking provides impartial and accurate information about remuneration to support effective decision making which are non-discriminatory towards our employees in the long term but also ensures the sustainability of the NHFC/HSDB .

The remuneration benchmarking exercise must include the following elements:

- compensation strategy, which includes the incentive framework
- relevant salary surveys.

Which will assist in identifying the correct data (both public and private in the Financial Industry) for interpretation.

Therefore, the successful service provider **should be able to provide insights on the following:**

- Compensation Industry Trends, including Incentive Framework .
- Geographic location.
- Size of the company or organization.
- Remuneration according to levels of work and scope of responsibility.
- Specialized credentials or required skills.

#### **4.1 Project Timelines**

The successful service provider must be able to start and complete the project at hand within 1 calendar month.

At the project scoping meeting, the successful project must be able to submit a project plan which must reflect the project timelines.

#### **4.2 Project Costs**

The suitable successful service provider should furnish the NHFC with a project plan with costs.

#### **4.3 Lockdown Operations Provisions**

Kindly note that due to the implementation of a Hybrid Approach to work, the NHFC's business sometimes operates remotely, therefore service providers should make required provision for virtual meetings.

## 5. EVALUATION CRITERIA

### Criterion 1 – Compulsory Requirements

Bidders will first be evaluated in terms of the gatekeeper/minimum requirements on page 3 of this document. Bidders who do not fulfil all the requirements or do not submit the required documents will not proceed to the next phase of functionality. Those who fulfil all the requirements or have submitted the required documents will be further evaluated on functionality.

### Criterion 2 – Functionality

Functionality is worth 100 points. The minimum threshold is 80 points. Bidders who score less than 80 points on functionality will therefore be disqualified. Bidders who score 80 points and above will be further evaluated in the next evaluation phase i.e. site visit phase.

The functionality evaluation is broken down as follows:

Criteria	Requirements for service providers	Weighting points
Project Approach and Methodology in remuneration/ compensation strategy ,	<p>Bidder must submit a comprehensive project plan indicating the readiness to deliver as per the required deliverables indicated in the scope of work.</p> <p>Excellent Methodology = 30 points</p>	<b>30 points</b>

	<p>Bidder to submit comprehensive project plan indicating readiness to deliver as per the required scope of work and deliverables.</p> <ul style="list-style-type: none"> <li>• Understanding of terms of reference</li> <li>• Demonstrated understanding of the NHFC business as Development Finance Institution.</li> <li>• Quality of strategic methodology and approach.</li> <li>• Applicability of strategic methodology and approach to remuneration/compensation framework of NHFC.</li> </ul> <p>Good Methodology = 15 points</p> <p>Bidder to submit comprehensive project plan indicating readiness to deliver as per the required scope of work and deliverables.</p> <ul style="list-style-type: none"> <li>• Understanding of terms of reference.</li> <li>• Quality of strategic methodology and approach</li> <li>• Strategic methodology and approach to remuneration/compensation framework.</li> </ul> <p>Poor Methodology =0 points</p> <p>Bidders demonstrate no understanding of Terms of reference.</p>	
Relevant salary surveys.	<p><b>Bidders must have done similar work within the past five (5) years and are able to carry out the scope of work required.</b></p> <p>The Bidder must have previously produced or put together an industry and credible/recognised salary survey for a</p>	<b>40 points</b>



	<p>minimum of five (5) for both the Public Sector and Private Sector with the ff</p> <ul style="list-style-type: none"> <li>• Compensation Industry Trends, including Incentive Framework</li> <li>• Geographic location.</li> <li>• Size of the companies in the survey.</li> <li>• Remuneration according to levels of work and scope of responsibility in the survey.</li> </ul> <p>Have at least a third/fraction of Public Sector and Private Sector Companies using the Survey for at least three (3) years .</p> <p>Please note that NHFC reserves the right to contact the references as part of the due diligence process for RFQs.</p> <p>0 points = Less than 3 client letters in similar projects</p> <p>20 points = 3 client reference letters in similar project and <b>remuneration survey results</b>.</p> <p>40 points = 5 client reference letters in similar project and <b>remuneration survey results</b> in both Public and Private Sector by some companies mentioned above</p> <p>Minimum of three (3) references letters from clients for work completed in similar projects must be submitted.</p>	
<p><b>Key Personnel/</b></p> <p><b>Lead Agents</b></p>	<p>Bidders must submit a CV's together with copies of qualifications of personnel who will be involved in the project, with more than 5 years' experience.</p>	<p><b>30</b></p>

	<p>Relevant experience of the Lead Agent in managing projects in remuneration/compensation surveys.</p> <p>30 points = Detailed CV of Personnel with relevant qualification and 3 to 5 years' experience. Relevant experience of Project Team Lead in leading surveys including but not limited to the following: Remuneration/ Compensation Surveys or similar projects.</p> <p>15 points = Detailed CV of Personnel with relevant qualification and less than 3 years' experience. Relevant experience of conducting surveys or similar projects.</p> <p>No submission = 0 points</p>	
<b>TOTAL</b>		<b>100</b>
<b>Minimum threshold</b>		<b>80</b>

### Criterion 3– Price and Preference Evaluation

Bidders who score a minimum of 80 points will be further evaluated in terms of Price and Preference points (B-BBEE status level of contributor).

As per the table below, price is evaluated over 80 points and preference points over 20:

Price Assessment	80 Points
TOTAL	80
Preferential Elements	20 Points
B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

**SBD4**

### BIDDER'S DISCLOSURE

#### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

#### 2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**
- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of institution	State

- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**
- 2.2.1 If so, furnish particulars:  
 .....  
 .....
- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?  
**YES/NO**
- 2.3.1 If so, furnish particulars:  
 .....  
 .....

### 3 DECLARATION

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature Date

.....  
Position Name of bidder

## SBD 6.1

### PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

#### 1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

**1.2 To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **80/20** preference point system.
  - b) Either the **80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.
- 1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:
- (a) Price; and
  - (b) Specific Goals.

**1.4 To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

**80/20**

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration



Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 points is allocated for price on the following basis:

**80/20**

$$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference

point system; or

- (b) any other invitation for tender, that either the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The specific goals allocated points in terms of this tender	supporting evidence for meeting preferential procurement targets (bidder to provide the below supporting evidence to claim allocated	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)
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	points for each specific goal)		
B-BBEE status contributor level. Valid affidavit (as issued by DTI/or CIPC), must be an original or certified copy or a certified copy of SANAS accredited verification certificate	B-BBEE status contributor level. Valid affidavit (as issued by DTI/or CIPC), must be an original or certified copy or a certified copy of SANAS accredited verification certificate	20	

#### DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....  
.....