



Annexure 6

ITEM NUMBER

REPORT BY CFO
BID SPECIFICATION COMMITTEE

SUBJECT: PROVISION OF INDIGENT MANAGEMENT SERVICES FOR 3 YEARS

DATE OF THE MEETING:

1. PURPOSE OF THE REPORT

To obtain tenders for Indigent Management Mobile and Web based Management System at Umdoni Local municipality for a period of three years

2. SCOPE OF THE CONTRACT

- a) The municipality intends to call for bids in respect of the Indigent Management, for a period of three (3) years.
- b) One Service provider will be appointed for the above purpose.
- c) The bidder will be appointed based on the functionality and the prices quoted as per specification.

2.1 SPECIFICATIONS

MOBILE APPS AND WEBBASED INDIGENT MANAGEMENT SYSTEM

Background

The municipality hereby invites proposals for the appointment of Service provider to assist the municipality Indigent Management. The Municipality has a duty to develop, implement, monitor and review Indigent register as per its Indigent Policy adopted on an annual basis. The project is aimed at smart and electronic registering of qualifying indigent households and performing both web based and physical verification for all indigent applicants who are not able to afford basic services as per the approved indigent policy of the municipality.

Purpose of the project

The project purpose is to create paperless environment for Indigent Management which will in turn yield a Credible Indigent Register for the municipality.

Objectives of the projects

Due to high levels of unemployment and inadequate economic development within the Municipality, there is a huge need for the provision of free basic service to the indigent households. Thus, the project aims at electronic mobile registration and desktop verification of indigent applicants to establish and maintain authentic indigent register and setting up communication links with the billing system. These smart technologies must assist municipality to determine which households qualify for free basic service and which household's gross income status has changes over time in which the Municipality might have to bill to increase its revenue collection.

2.2 The role of service provider

The role of the service provider is to receive, verify data and present the findings. All activities and findings of this project must be in line with Municipality's Indigent Policy.

2.3 Project coverage

The project targets all possibly qualifying households within the Municipality in line with the Indigent Policy.

2.4 Scope of work

Implementation of the mobile apps and web based electronic system used for indigent Management.

- The bidder must make use of indigent management system to manage the indigent registrations and verification process on behalf of the municipality.
- The bidder must provide the municipality with viewing rights as well as rights to execute functions on the system.

The indigent management system must be able to perform the following functions:

- Smart and/or mobile indigent registrations.
- Mobile scanning of all supporting documents.
- The system must have a declaration by the applicant.
- Digitalised applicant signature through mobile app and web panel.
- Mobile App must be downloadable from google play and App Store etc. in the name of the App and description.
- Send SMSs notifications upon registration and approval stages.
- Download and print form submitted, reviewed and verified form in pdf format.
- The completed form must have date of capturing, time and date of the download and printing.
- Print supporting documents.
- The system must be in a South African currency.
- Mobile App should be able to create user accounts.
- Verify employment status of an applicant, spouse and occupant(s) (if application).

- Provide current and historic physical address of an applicant household.
- Provide employers address of an applicant or that occupant(s) (if applicable).
- Provide information about applicant business connection (if applicable).
- Provide bank information of an applicant, spouse and applicant(s) (if application).
- The system must be able to capture services linked to the applicant stand number.
- Inform the municipality if there is a change to the employment status of the applicant.
- The system must be able export files in formats required by the municipality.
- The system will be able to execute the whole Indigent Management process.
- Verify the occupant(s) status (if applicable).
- Verification of information provided by applicants for indigent subsidy for municipal services which include but is not limited to identify number, employment details, lifestyle audit, residential and property ownership, person tracing, contact details, income indicator, credit status and any other information disclosed on the application form that may have a bearing on the outcome of the application.
- The system must be able to perform third party verifications at least once quarterly.
- Re-assessments of existing indigent beneficiaries.
- Generate management reports (Indigent applications, indigent verifications, indigent register/listing etc.).

2.5 The system must be a mobile App and web based indigent management solution.

2.5.1 The requested information should be inserted and no changes to the layout should be made on the RFP.

2.5.2 Umdoni Local Municipality requires a clear, concise and factual response. Bidders shall consult, in writing, with the Umdoni Local Municipality official responsible should there appear to be any discrepancy, ambiguity or uncertainty pertaining to the meaning or effect of any description, quality, quantity or any other information contained in this RFP.

2.5.3 Proposals must be compiled in the following manner:

- a. Clear indexing of the proposal content must be included.
One (1) original proposal (marked 'original')

2.5.4 All proposals must be delivered sealed. The following information must appear on the outside of the sealed proposal.

- a. Name of bidder
- b. Description of proposal
- c. RFP Number
- d. Closing date and time

2.5.5 In the case of Joint Ventures and consortium, proposals must contain:

- a. Teaming Agreements
- b. Consolidated B-BBEE certificate for all members of the Joint Venture and consortiums is required

2.5.6 Bid costs

The Bidder will be liable for all costs incurred in response to this request.

- a. The bidder is expected to fully acquaint themselves with the conditions, requirements and specifications of the Umdoni Local Municipality before submitting a completed response. Failure to do so will be at the bidder's own risk and the Bidder cannot secure relief on the grounds of any mistake.
- b. Bidders shall take into account that the Umdoni Local Municipality's total requirements.
- c. The selected bidder(s) will be required to enter into a written agreement with Umdoni Local Municipality. This RFP or any part thereof may be incorporated into and made part of such an agreement. Umdoni Local Municipality shall not incur any obligation or liability towards the selected bidder(s) until a written contract has been signed by the duly authorised Umdoni Local Municipality representative and the bidder(s).

3 TENDERING DETAILS

3.1 Contact Details for administrative procurement enquiries

- Supply Chain Management Unit: Email:

4. LATE SUBMISSIONS

Proposals submitted after the specified closing date and time will not be considered.

5. Expected Benefits

The implementation of the Indigent management system must assist in addressing audit findings and maintaining a credible indigent register in line with the policy; which will assist in:

- Mobile App registration, verifying and approving indigent applicants;
- Establishing and maintaining credible indigent register;
- Providing technical support and assistance in maintaining the municipality's indigent register.
- Conducting quality control and monitoring.
- Addressing an overstatement of the indigent debtor which will enable us to confirm the accuracy of the reported amounts of indigent debtors. Proactively identify indigent citizens and accelerate the registration process through data-driven indigent status verification, as a precursor to tabling applications to Council for approval;
- Better enable the provision of free basic services to indigent citizens, thereby uplifting the poorest of the poor;
- Verify the validity of all information provided by applicant;
- Verify the indigence status of indigent on the current indigent register thereby reducing the risk of citizens enjoying indigent status when they do not qualify for it anymore.
- Create a verifiable Indigent Register which reduces performance audit risk through the provision of monthly controls and credible, third party, data driven evidence to support the validity of households registered as indigent.
- Utilise the insight provided regarding indigents to possibly make any necessary amendments to current Indigent Policy;
- Inspect, audit indigent household electricity meters to ensure

6. Functionality

Key Personnel/ Supervisor/ Managers	Qualifications of project team (attached certified proof- certificate) the points are accumulative. These points can be claimed if staff dealing with project have the necessary qualifications	Project Management qualification	10	20
		Degree NQF level 7 Software developer	10	
Competence and experience of the	Submit at least five projects from different	1-3 project – 10 points 4 > projects – 20 points		20

Service Provider/ data verification and Indigent Management	Municipalities- attached previous work done, e.g. Purchasing orders or appointment letters, (stamped by the municipality)			
Approach and methodology	Detailed and executable Project plan taking into account the entire project duration Demonstrating an understanding of the required methodology	Demonstrate no methodology	0	40
		Re-stating the scope of work	10	
		Re-organising the scope of work into clear project plan	20	
		Re-organising the scope of work into a clear business plan	30	
		Re-organising the scope of work into a detailed, clear, simple and executable but flexible project plan, with a sound methodology plus value add	40	
Effectiveness of the proposed induction/training	Acceptable: One day training		5	20
	Good: Training and post-training assessment		10	
	Very Good: Training, Post training assessment and training tools provided		15	
	Excellent: Possible involvement of incumbents/project leader throughout project implementation, structured training, post-training assessment and post-training evaluation of the training provided effective training tools to be provided (manuals, guidelines etc.)		20	
Total				100

PRICING SCHEDULE

The below table is pricing schedule, bidders must provide a detailed breakdown of its prices, costs and fees calculated per unit.

VAT MUST BE INCLUDED IN THE TENDER PRICE.

ITEM DESCRIPTION	UNIT	RATE PER UNIT*
Monthly Management Fee	Monthly	R
Electronic mobile data collection and mobile scanning of supporting documents of applicants	1	R
Third party verification of applicants (ID Validation, Employment Status, Directorship, Credit Status, Contact Details and Property Ownership)	1	R
Ad Hoc Audit as and when requested by the Municipality Per Household or Account (Unit)	1	R
Short Message (SMS) Per Household or Per Account (Unit)	1	R
SUB-TOTAL		R
VAT@15%		R
Total		R

NB: All prices for the contract would be taken as fixed for the duration of the contract.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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	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)
Percentage by black owned. <ul style="list-style-type: none"> 100% company owned/director/s/shareholders by people who are Black = 20 points ≥51% and <100% company owned/director/s/shareholders by people who are Black = 10 points >0% and <51% company owned/director/s/shareholders by people who are Black = 5 points 0% company owned/director/s/shareholders by people who are Black = 0 points 	20	Proof of claim as declared on SBD 6.1 (one or more of the following will be used in verifying the tenderer's status) <ul style="list-style-type: none"> Company Registration Certification/document (CIPC) Company Shareholders certificate Certified identification documentation of company director/s CSD report/ CSD registration number (MAAA number) B-BBEE Certificate of the tendering company. Consolidated B-BBEE certificated if the tendering company is a Consortium, Joint Venture, or Trust (Issued by verification agency accredited by the South African Accreditation System). Agreement for a Consortium, Joint Venture, or Trust.

NB: Please attach proof of the above.

7. TERMS AND CONDITIONS

- 7.1 Particular project/service will be initiated by means of written instructions to the successful bidders.
- 7.2 Umdoni Local Municipality reserves the right to screen and vet shortlisted service providers before appointment.

- 7.3 Umdoni Local Municipality reserves the right to terminate the contract in the event that there is clear evidence of a breach of the agreed specifications.
- 7.4 Umdoni Local Municipality will appoint one service provider for this project.

8 PENALTIES/WARRANTIES

- 8.1 Umdoni Local Municipality reserves the right to reject work that does not meet the required standard and engage a different service provider to complete the work. Umdoni Local Municipality shall serve thirty (30) days written notice for termination of contract in the case of non-performance.
- 8.2 Should any reference check, audit or inspection reveal that the Contractor has not complied with any of the terms of the previous contract, Umdoni Local Municipality reserves the right to reject the bid.

9. INSTRUCTIONS FOR THE BID PROPOSAL

- 9.1 This Request for Proposal (RFP) does not constitute an offer. The RFP intends to provide *enough information for the preparation and submission of comparable prop*13.2 The requested information should be inserted and no changes to the layout should be made on the RFP.
- 9.2 Umdoni Local Municipality requires a clear, concise and factual response. Bidders shall consult, in writing, with the Umdoni Local Municipality official responsible should there appear to be any discrepancy, ambiguity or uncertainty pertaining to the meaning or effect of any description, quality, quantity or any other information contained in this RFP.
- 9.3 Proposals must be compiled in the following manner:
- b. Clear indexing of the proposal content must be included.
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- f. Description of proposal
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- h. Closing date and time

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10. Bid costs

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- d. The bidder is expected to fully acquaint themselves with the conditions, requirements and specifications of the Umdoni Local Municipality before submitting a completed response. Failure to do so will be at the bidder's own risk and the Bidder cannot secure relief on the grounds of any mistake.
- e. Bidders shall take into account that the Umdoni Local Municipality's total requirements.
- f. The selected bidder(s) will be required to enter into a written agreement with Umdoni Local Municipality. This RFP or any part thereof may be incorporated into and made part of such an agreement. Umdoni Local Municipality shall not incur any obligation or liability towards the selected bidder(s) until a written contract has been signed by the duly authorised Umdoni Local Municipality representative and the bidder(s).

11. SKILLS TRANSFER

12. PLACE OF DELIVERY

Umdoni Municipality

13. COMPLIANCE WITH ANY LEGISLATION, BYLAWS, ETC

Indigent Policy
Rates Policy
Municipal Property Rates Act

14. GUARANTEE/WARRANTY/DEFECTS LIABILITY PERIOD

N/A

15. CONTRACT PERIOD

3 YEARS

16. VALIDITY PERIOD

120 days

17. TENDER DOCUMENT PRICE

Obtainable from the website/ E tender

18 TENDER ADVERT PERIOD

30 days

19. FINANCIAL IMPLICATIONS/BUDGET AVAILABLE

R500 000

20. RETURNABLE DOCUMENTATION

- Valid tax clearance certificate or SARS pin
- Central Supplier database proof of registration
- Bidding Proposal
- CK registration
- Certified copies of identity documents
- Proof the bidder is not in arrears for Municipal taxes (rates and refuse) for a period not exceeding 3 months)
- Originally certified copies of BBBEE Certificate or Affidavit
- MBD4
- Declaration of interest

**** Certified documents must not be older than 6 months**

*****Failure to submit all of the above documents will render your bid unresponsive**

21 RECOMMENDATION TO BID SPECIFICATION COMMITTEE

21.1 That the bid specification for Indigent Management Mobile and Web based Management System for be approved.

22 SIGNATURES (To include Budget Manager for funding availability)



Budget Manager

Date



CFO

Date



Budget Officer

Date 13/03/2025