

# **NORTH WEST DEVELOPMENT CORPORATION (SOC) LTD**



## **TERMS OF REFERENCE (ToR):**

**VALUATION AND CONDITIONAL ASSESSMENT OF  
INVESTMENT PROPERTIES, INFRASTRUCTURE ASSETS  
AND  
COMPILATION OF PROPERTY PLANT AND EQUIPMENT (PPE), INVESTMENT PROPERTY  
AND GAME REGISTERS FOR A PERIOD OF 36 MONTHS (THREE (3) YEARS)**

NWDC (SOC) LTD  
30 James Watt Crescent  
MAHIKENG  
2745

**COMPULSORY BRIEFING SESSION  
24 JULY 2024 AT 11H00AM  
MMABATHO REGIONAL OFFICES  
30 JAMES WATT CRESCENT  
MAFIKENG INDUSTRIAL  
MAFIKENG**

**CLOSING DATE: 22 AUGUST 2024**

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## 1. PREAMBLE

The NWDC's **strategic thrust** is to drive an inclusive strategy towards economic growth and transformation in the province in line with the Provincial priorities. The NWDC's **purpose** is, therefore, to contribute towards the growth and transformation of the economy by positioning the North West Province as a competitor in South Africa, SADC Region, Africa, and the globe in investment attraction.

The NWDC **aims** to demonstrate its leadership by implementing key programmes and providing support for the development of key sectors of the economy in line with the conventional economic and industrial policies of the province. Key to this aim is the growth of the manufacturing sector, trade and investment facilitation and increased strategic economic infrastructure. The NWDC undertakes to support key Provincial strategies in a manner that ensures successful implementation of those strategies.

## 2. PURPOSE OF THE BID/TERMS OF REFERENCE

The purpose of this bid document is to invite suitable registered property valuers to provide the following services for NWDC's investment properties:

- Compilation and update of all registers with movements for the year (PPE, Investment Property, Game)
- Opening balance check and correction of prior year figures where necessary
- Assets valuations and conditional assessment thereof
- Perform the work in accordance with GRAP 16, GRAP 17 and GRAP 110

## 3. BACKGROUND

The North West Development Corporation (NWDC) (SOC) Ltd is an established State-Owned entity schedule 3D in terms of the Public Financial Management Act (PFMA) No.1 of 1999. The North West Provincial Government (NWPG) holds 100% of the ordinary shares of NWDC. In

terms of its mandate, the NWDC is established to assist in driving the economy of the Provincial Government of North West Province by delivering developmental projects efficiently and effectively, development of small businesses and promotion by identifying entrepreneurs and opportunities, providing financial services, business premises, and business support thereby influencing the small business environment positively.

The Corporation's Investment Property Portfolio, which is situated throughout the province, comprises of residential, commercial, industrial parks and shopping complexes. Due to the revised Local Government Demarcation Process, some of these properties are outside the demarcations of the province, being in Ga-Rankuwa, Babelegi (Gauteng Province), Marapyane (Mpumalanga) and Mothibistad (Northern Cape). The following table indicates the spread of the properties, which includes other properties that fall under tribal authorities.

#### NWDC

DISTRICT AND LOCAL MUNICIPALITIES	TOWNS
Bojanala Platinum District Municipality	Rustenburg, Mogwase and cluster areas, Hebron, Moiletswane, Photsaneng, Madikwe and cluster areas, Swardt Dam, Makapanstad, Silverkraans
Dr Kenneth Kaunda District Municipality	Potchefstroom
Dr Ruth Segomotsi Mompati District Municipality and John Taolo Gaetsewe District Municipality	Ganyesa, Taung, Pampierstad Mothibistad, Cassell
Ngaka Modiri Molema District Municipality	Mahikeng, Lehurutshe, Mmabatho, Atamelang, Itsoseng
Dr JS Moroka Local Municipality	Marapyane, Pankop
Lekwa-Teemane Municipality	Christiana
City of Tshwane	Ga-Rankuwa, Mabopane, Babelegi, Kudube

For further information on NWDC, please visit the website at <http://www.nwdc.co.za>

Most of the properties have a lifespan of  $\pm 30$  years. To ensure maximum returns on these assets and in the interest of continuing the development of this organization, the NWDC requires an assessment of the state of all its properties to allow NWDC to plan for refurbishing, revitalizing, and renovating these properties to ensure the continuation of its mandate.

#### **4. SCOPE OF WORK**

The North West Development Corporation (SOC) Ltd hereby invites service providers from suitably Professional, qualified, and experienced Independent Valuers and Assessors for valuations and conditional assessment of the Organisation's properties. The ideal service provider must be registered with the relevant statutory body, experienced and with sound-track record in rendering valuations and conducting conditional assessments for properties in the retail, industrial, commercial, and residential sectors for public entities or municipalities and government institutions. In addition, their reports should be acceptable in terms of Audit and Accounting (AG) Standards.

##### **The scope of work includes and addresses the following:**

##### **Section A:**

4.1. The valuation must comprise of all properties belonging to NWDC, including but not limited to our industrial, retail, commercial and residential properties.

4.2. The service provider shall be required to submit valuation reports and the register on/before the 31st of March 2025. The reports must entail:

4.2.1. Photographic representation including areal photos and general photos indicating the true status of the property.

4.2.2. Confirmation of current measurements of yards, buildings clearly indicating sizes of ablution, bathrooms, storerooms covered areas, out buildings, offices, guard houses, undeveloped land and measurement of land and improvements thereof.

4.2.3. Comparable sales, replacement, and demolishing costs for residential, retail, commercial and industrial valuations

4.2.4. Research information for leases, sales statistics, etc. for premises

4.2.5. Provide GIS and GPS Co-Ordinates link to NWDC accounting systems (Currently MRI property System)

4.2.6. Stand Number, Physical Address, gross lettable area (GLA) and total square meterage (M<sup>2</sup>) of the property.

4.2.7. Confirmation of property ownership and provision of property title deed where not available, deeds information indicating restrictive conditions of the title deed.

4.2.8. Rent Roll per property with tenant names and rental amounts. The size of the property must also be compared to the expected rental amount.

4.2.9. Town Planning details and verifications, updating and formalising of building plans with the relevant city councils, i.e. zoning, bulk infrastructure, compliance etc.

4.2.10. Access to property, availability of infrastructure and

4.2.11. Energy performance certificate (per SANEDI requirements)

4.2.12. Structural integrity reports.

4.2.13. Any other additional information about the property that may be deemed necessary for the report.

4.3. A comprehensive conditional assessment of properties in terms of:

4.3.1. The viability, condition and standard (excellent, good, fair, and poor). The report must indicate the extent of the required repairs on the individual property (done and as recognized by registered professionals)

4.3.2. Assessment must also recommend the necessary repairs, refurbishment, renovations, and a list of the properties to dispose including recommendations on revised market related rental rates.

4.3.3 Prepare a risk profile (e.g. OHS, general risks) of all the properties (including tribal and urban areas) and

4.3.4 Propose investment opportunities for vacant land and properties in line with the market.

### **Section B:**

The scope of work includes and addresses the following for PPE, Living Resources, and Investment Property

	Infrastructure Assets	Other PPE	Living Resources	Investment Property
a) Obtain sufficient and appropriate audit evidence for addressing prior period errors	•	•	•	•
b) Address any prior year audit findings	•	•	•	•
c) Compile asset registers that adhere to GRAP standards	•	•	•	•
d) Review of useful lives, residual values, provide depreciation and impairment calculations, compile necessary journals, compile disclosures		•		
e) Provide useful lives, provide depreciation and impairment calculations, compile necessary journals, compile disclosures, fair values			•	•
f) Review of replacement costs, provide depreciation and impairment calculations, compile necessary journals, compile disclosures				•
g) Review of replacement costs, provide depreciation and impairment calculations,	•			

compile necessary journals, compile disclosures				
h) submit the asset registers on or before the 31st of March 2025	•	•		•
i) Submit the asset register before 15 <sup>th</sup> of April 2025			•	
j) The valuation must comprise of all the infrastructure assets and Investment properties	•			•
k) Provide recommendations for infrastructure assets and Investment property maintenance and refurbishment	•			•
l) The service provider shall be fully responsible for the obtainment of all necessary data in the execution of the project. NWDC to provide game count report i.e. animal quantities and values	•	•	•	•
m) During audits by the Auditor General, service providers, upon request, may be required to avail themselves to provide explanations in terms of calculations and the approach used.	•	•	•	•
n) When required, the service provider will appear before the Valuation Boards Hearings to address all the valuation disputes and enquiries with municipalities	•	•	•	•
o) The Service provider must keep and maintain all relevant working papers used as they will be required to explain methodologies used to external auditors during audit	•	•	•	•

## 5. PROFILE OF TENDERING COMPANY

- 5.1. The service providers are required to attach the following to their detailed report of their operations:



- 5.1.1. Background of the company, policies, and actual achievements. Breakdown of shareholding percentages in respect of Black Economic Empowerment and previously disadvantaged persons within the company
- 5.1.2. A brief outline of the length of time operating in this industry of Valuation, conditional assessment, quantity surveying and structural assessment, the extent, nature, and area of current operations and approximate numbers of support staff employed within the company that will interact with the NWDC.
- 5.1.3. Experience, Understanding, Relationship, Success, Outcomes, and Achievements with the Auditor General Requirements and Standards (Please provide proof)
- 5.1.4. A list of current contracts held by the company, corporation, division, or branch that will be supplying the service as well as telephone and email addresses of senior persons of such clients who could be contacted for references; (Please provide the proof thereof)
- 5.1.5. The physical address of the office that will be providing the service. A visit to the office may be made by the Bid Evaluation Committee before the contract is awarded to confirm the following:
  - Ownership or lease agreement for premises
  - Resources and assets
- 5.1.6. Full contact details (telephone, fax, cell phone numbers, and email address) of those persons who may be contacted in connection with the Bid Evaluation Committee visit.
- 5.2. Competence Requirements:
  - 5.2.1. Key features and information of the Organisations shall be identified and interpreted according to legislative requirements practice.
  - 5.2.2. Roles and responsibilities of key personnel involved within the organisation shall be identified in line with legislative requirements and agency practice.
- 5.3. Organisational Skills transfer requirements:
  - 5.3.1. Ensure knowledge sharing and practical application and integration within the organisation
  - 5.3.2. Pair employees with consultants' team
  - 5.3.3. Create detailed process documentation, ensure that these documents are accessible to employees
  - 5.3.4. Include employees in project meeting discussions.

## **6. LEGALITIES AND RULES**

The proposal received from the bidders will be assessed by the relevant committee for implementation.

6.1. The NWDC reserves the right to appoint, not to appoint, to reduce or increase the scope of work.

## 7. CONFIDENTIALITY

A contractual pre-requisite is to comply with the NWDC's Confidentiality Agreements. It must be noted that all company information is confidential. Once appointed, the successful bidder will be expected to enter into a confidentiality agreement with the NWDC.

## 8. TECHNICAL EVALUATION CRITERIA

### STAGE 1: SUBMISSION OF FICA DOCUMENTS

The following compulsory documentation must be submitted with the proposal:

#### **FICA REQUIREMENTS AND ADDITIONAL INFORMATION REQUIRED**

Authenticated copies are permissible		
No	Document	Checked (√/X)
1.	Company profile	
2.	Only Accredited BBBEE Certificate or SWORN affidavits shall be accepted.	
3.	Company registration (CIPC) and Company Documents	
4.	Power of Attorney/ Letter of Authority / and/or Resolution Authorizing the Director to sign all the document	
5.	Confirmation of Residential Address or Business Address	
6.	Valid Tax Pin Certificate	
7.	Proof of registration on Central Supplier Database (CSD)	
8.	CV, ID Copies and Profile of directors, team members and support staff members	
9.	Company organogram with positions	
10.	South African Council for Property Valuers Profession (SACPVP) Certificate – Valuation Roll	
11.	Engineering Council of South Africa (ECSA) Certificate – Conditional Assessment	
12.	South African Institute of Chartered Accountants (SAICA) Certificate or equivalent	
13.	Joint Venture Agreement/ Consortium/ Sub Contracting Agreement, signed (where applicable) register on Central Supplier Database (CSD). The signatories for the JV must be authorized signatories and all parties must submit their separate documents in the proposal.	
14.	Current and completed contracts with contactable references and values of the contracts	
15.	Audit outcomes of the previous work conducted from the contactable references	

16.	A proposal/ methodology indicating the detailed approach	
17.	Project Plan with clear timelines (This must address all the phases of the project)	
18.	SBD 1 - Invitation to Bid	
19.	SBD 2 - Tax Clearance Certificate Requirement	
20.	SBD 3.3 - Price Schedule (Professional Services)	
21.	SBD 4 - Declaration of Interest	
22.	SBD 5 - National Development Planning Programme	
23.	SBD 6.1 - Preference points claim form in terms of the Preferential Procurement Regulations	
24.	SBD 8 - Declaration of Bidders Supply Chain Practices	
25.	SBD9 - Certificate of Independence	

**NOTE:**

- Please tick (✓) if available and (X) if not available.
- Tax Clearance Certificate must be valid at the time of submitting this bid document.
- In the case of a Consortium, Joint Venture or Subcontractor, the documents listed above must be submitted for each Consortium/JV member or subcontractor as well as a certified copy of a relevant agreement.
- It must be noted that the evaluation of the proposal will be conducted in line with the scope of work indicated in this document.
- Only Accredited BBBEE Certificates or SWORN AFFIDAVIT shall be accepted.
- Non-submission of technical documents will render this tender invalid.

## STAGE 2: TECHNICAL/FUNCTIONALITY STAGE:

To qualify for the next stage of evaluation, the Assessor must score a minimum of 70 points.

(A)	(B)	(C)	(D)	(E)
CRITERIA	DESCRIPTION	WEIGHT	FUNCTIONALITY RATING	Portfolio of Evidence (POE)
Company experience in valuation and conditional assessment in Municipalities, Government departments and state-owned entities.	Experience in number of years by the service provider in property valuation and conditional assessment for state owned entities, constitutional institutions, government departments and municipalities.	10 points	10 points: 8 years and more. 8 points: 4-7 years 5 points: 3 years 2 points: <3 years	Number of years in Valuation and Conditional Assessment on the client letter head (Testimonials the company letterheads, with completion certificates including the contact person with their contact details)
Registrations with South African Council for the Property Valuers Profession (SACPVP), a statutory body established in terms of the Property Valuers Profession Act, 2000 (Act no. 23 of 2000). SA Property Valuers Association.	Valid Certified copy of a registration certificate from the South African Council for the Property Valuers Profession (SACPVP).	15 points	15-points–Valid Registration certificates (all three certificates)  0 points – Valid Registration Certificates from 1 or 2 Councils	Valid Registered certificates from South African Council for the Property Valuers Profession (SACPVP), Engineering Council of South Africa (ECSA) and South African Institute of Chartered Accountants (SAICA) or equivalent
Registration with Engineering Council of South Africa (ECSA)	Valid Certified copy of a registration certificate from the Engineering Council of South Africa (ECSA)		ALL 3 ARE REQUIRED	
Registration with the South African Institute of Chartered Accountants (SAICA) or equivalent	Valid Certified copy of a registration certificate from South African Institute of Chartered Accountants or equivalent			

(A)	(B)	(C)	(D)	(E)
CRITERIA	DESCRIPTION	WEIGHT	FUNCTIONALITY RATING	Portfolio of Evidence (POE)
A detailed delivery approach with time lines.	Detailed process plan on how Conditional Assessment and Valuation of Properties shall be done. The above plan must include all activities to be performed in delivery of the task amongst other things, reconciliation of data with the Deeds office, GIS and Aerial and General Photograph.	20	20 points - detailed delivery approach with time lines.  10 points – Delivery approach without time lines  0 point: No approach	A detailed delivery approach with time lines.
Proposed team members with relevant experience and qualifications	<p>Project Manager:</p> <ul style="list-style-type: none"> <li>Minimum of five (05) years' experience and relevant qualifications, and registration with the South African Council for the Property Valuers Profession (SACPVP).</li> </ul> <p>Engineer:</p> <ul style="list-style-type: none"> <li>Minimum of five (05) years' experience and relevant qualifications, and registration with the Engineering Council of South Africa (ECSA)</li> </ul> <p>Chartered Accountant:</p> <ul style="list-style-type: none"> <li>Minimum of five (05) years' experience and relevant qualifications, and registration with the South African Institute of Chartered Accountants or Equivalent</li> </ul>	25	<p>25 points- 15 years relevant experience and the relevant qualifications.</p> <p>15 points -10 years relevant experience and the relevant qualifications.</p> <p>10 points- 7 years relevant experience and the relevant qualifications.</p> <p>5 points – 5 years relevant experience and the relevant qualifications.</p>	CVs of team members and certified copies of qualification.
<p>Audit outcomes on the compilation of registers</p> <ul style="list-style-type: none"> <li>PPE Registers especially Infrastructure Assets</li> <li>Investment Property Register</li> <li>Game Register</li> </ul>	<p>Reference letters and audit reports with favorable audit outcomes.</p> <p>Investment Property Register</p>	10	<p>10points: Over 5 favorable audit outcomes</p> <p>8 points: 3 – 5 favorable outcomes</p>	Reference letters from current and/or previous clients (Testimonials from the clients on the company letterheads including the contact person with their

(A)	(B)	(C)	(D)	(E)
CRITERIA	DESCRIPTION	WEIGHT	FUNCTIONALITY RATING	Portfolio of Evidence (POE)
			2 points: 1 – 2 favorable outcomes  0 points: No reference letter	contact details)
	PPE Registers especially Infrastructure Assets	10	10 points: Over 5 favorable audit outcomes of which over 3 are for Infrastructure  8 points: Over 5 favorable audit outcomes of which only 2 are for Infrastructure  5 points: 3 – 5 favorable outcomes of which only 1 is for Infrastructure  2 points: 1 – 2 favorable outcomes  0 points: No reference letter	Reference letters from current and/or previous clients (Testimonials from the clients on the company letterheads including the contact person with their contact details)
	Game Register	10	10 points: Over 5 favorable audit outcomes  5 points: 3 – 5 favorable outcomes  2 points: 1 – 2 favorable outcomes  0 points: No reference letter	Reference letters from current and/or previous clients (Testimonials from the clients on the company letterheads including the contact person with their contact details)
	<b>Total Score</b>	<b>100</b>		

**NOTE:** The qualifying minimum score for functionality is 70 points. Service providers that obtain lower than required minimum points on functionality will not be further evaluated.

### **STAGE 3: PRICE AND B- BBEE Preferential Procurement Point -2022**

The North West Development Corporation is not compelled to accept the lowest or any proposal.

<b>Criteria</b>	<b>Description</b>	<b>Price (Points)-</b>	<b>B-BBEE (Points)</b>
<b>Fee to be charged (Price) and B-BBEE Level</b>	80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million	80	20  As specified on SBD 6.1

#### **Preferential Procurement Regulation of 2022:**

<b>The specific goals allocated points in terms of this tender</b>	<b>Points</b>
Promotion SMME (RDP Goals) excluding QSE and LSE	3
Black Women Owned	6
Black Youth Owned	5
Black People living with Disabilities	3
Black Military Veterans and Other	3

#### **PRICE SCHEDULE NWDC PROPERTIES**

A quotation in respect of all your fees and charges/ disbursements (costs) must be submitted. The service provider must reflect a detailed account of the fees which includes all professionals, where the pricing of professional fees will be done in accordance with the relevant statutory body or professional regulatory body pricing guidelines.

<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Assessment Fee</b> R	<b>Assessment Fee</b> R	<b>Assessment Fee</b> R
<b>Total Vat Incl.</b> R	<b>Total Vat Incl.</b> R	<b>Total Vat Incl.</b> R

## 9. ENQUIRIES

Enquiries may be directed to the following persons:

Scope/Terms of Reference	Tender Document
<p>FLORENCE SWARTZ – ASSETS MANAGER 082 935 5126 <a href="mailto:florences@nwdc.co.za">florences@nwdc.co.za</a></p> <p>RAY DIKGWATLHE – PROPERTIES CIVIL ENGINEER 082 841 0112 <a href="mailto:mookamedid@nwdc.co.za">mookamedid@nwdc.co.za</a></p>	<p>LEBOHANG MATSHASA – SCM MANAGER 066 484 0582 <a href="mailto:lebohangm@nwdc.co.za">lebohangm@nwdc.co.za</a></p>

