

**027/2022/CRO/INSURANCE/RFQ**

<b>DESCRIPTION:</b>	Appointment of Service Provider for Self- Insurance
<b>DURATION:</b>	3 Year
<b>PROPOSED BID PROCESS:</b>	RFQ
<b>REQUESTOR:</b>	Risk Division
<b>DIVISION:</b>	Risk Division
<b>UNIT:</b>	Risk Management
<b>ISSUE DATE:</b>	11 <sup>th</sup> October 2022
<b>DATE REQUIRED:</b>	As soon as possible
<b>CLOSING DATE:</b>	21 <sup>st</sup> October 2022 @ 11h00
<b>ENQUIRIES:</b>	<a href="mailto:imosalakgotla@tcta.co.za">imosalakgotla@tcta.co.za</a> and <a href="mailto:tenders05@tcta.co.za">tenders05@tcta.co.za</a>
<b>METHOD OF SUBMISSION:</b>	<a href="mailto:imosalakgotla@tcta.co.za">imosalakgotla@tcta.co.za</a> and <a href="mailto:tenders05@tcta.co.za">tenders05@tcta.co.za</a>

**BACKGROUND**

The purpose of this RFT is to invite Service Providers to submit tenders for the Management of the TCTA Self Insurance Fund. The Self Insurance Fund will enable TCTA to take financial risks in areas where there has been failure to obtain insurance cover. This will allow TCTA to settle claims based on the aggregate to be agreed with the potential insurers. The services of a third -party is required to administer, monitor, and process claims.

**SCOPE OF WORK**

**DETAILED DESCRIPTION OF GOODS/SERVICES**

TCTA uses the services of an Insurance Broker to place corporate insurance covers in the market. Some of the insurance covers that are required on an annual basis are; Assets all risks, Motor vehicle cover, Directors and Officers Liability, Commercial Crime, General Liability, Cyber Policy and Travel Policy. TCTA has in some cases failed to procure certain covers, hence, the need for Self-Insurance cover.

The successful tenderer will be required to provide all the services and responsibilities related to the management of the Self Insurance Fund, as listed below:

- Designing the Self Insurance Fund and provision of advice on self insurance strategy.
- Investing the Fund amount at a rate acceptable to TCTA.
- Accounting, financial analysis and management of Fund information.

- Record keeping and provision of regular management reports.
- Process claims and ensure than claims are paid promptly.
- Advise on funding gaps if any.

#### **COMPANY EXPERIENCE REQUIRED**

The Service Provider is expected to be registered by the Financial Services Conduct Authority (FSCA) as Self-Insurance Fund Administrator for at least five (5) years.

#### **PERSONNEL EXPERIENCE REQUIRED**

The personnel are expected to have experience in administration of self – insurance as well as processing claims.

#### **DELIVERABLES**

- Assist TCTA to take financial risks in areas where it has been difficult to obtain cover such as:
  - Employment Practice Liability
  - Commercial Crime
  - Cyber insurance.
- Manage and administer TCTA's self-insurance fund.
- Invest available funds at competitive rates.
- Monitor and process claims.
- Record keeping and provision of regular management reports.

#### **RETURNABLES**

<b>MANDATORY</b>	<b>NON-MANDATORY</b>
<p>A minimum of two contactable references from clients on similar work conducted i.e. (Management of Self-Insurance)</p> <p>Proof of registration with FSCA as self-insurance fund administrator</p> <p>Signed SBD 4 document</p>	SARS Tax PIN

#### **TRANSFORMATION GOALS**

N/A

#### **TECHNICAL SUBMISSION**

<b>Section 1</b>	<b>COMPANY TRACK RECORD (60 POINTS)</b>	<b>Maximum</b>	<b>Total</b>
	(Tenderers must obtain a minimum score of 42 out of 60 to proceed to the next stage of evaluation)		
1.1	<b>Number of years registered by the Financial</b>	30	60

		<p><b>Services Conduct Authority (FSCA) as a Self-Insurance Fund Administrator:</b></p> <ul style="list-style-type: none"> <li>• Less than 5 years: 0 points</li> <li>• 3 points for every year above 5 years up to a maximum of 30 points</li> </ul> <p>(Failure to submit proof of registration will result in no points being allocated)</p>		
	1.2	<p><b>Experience in managing client's Self-Insurance Fund:</b></p> <ul style="list-style-type: none"> <li>• No client provided: 0 points</li> </ul> <p>2 points per client provided up to a maximum of 10 points</p>	10	
		<p><b>(Provide information as per 1.1 below) Reference letters signed by the client must also be submitted.</b></p>	10	
	1.3	<p><b>Experience in managing Self-Insurance claims</b></p> <ul style="list-style-type: none"> <li>• Managed average claims of up to R 5 million: <b>) 2 points</b></li> <li>• Managed average claims of between R5 million and R10 million over the past 3 years: <b>5 points</b></li> <li>• Managed average claims of over R10 million over the past 3 years: <b>10 points</b></li> </ul>		
		<p><b>(Provide information as per 1.2 below) Reference letters signed by the client must also be submitted.</b></p>	10	
	1.4	<p><b>Experience in investment of Fund amounts:</b></p> <ul style="list-style-type: none"> <li>• 2 points per Client up to a maximum of 10 points</li> </ul>		
		<p><b>(Provide information as per 1.3 below) Reference letters signed by the client must also be submitted.</b></p>		
<b>TOTAL POINTS FOR TECHNICAL EVALUATION</b>				<b>60</b>

**A minimum score of 42 points (forty -two) out of the maximum of 60 points must be achieved for**

a tenderer to proceed to the next stage of Evaluation, which is Price and Preference Evaluation as per the PPPFA Regulations 2017.

### COMPANY TRACK RECORD TEMPLATE

#### 1.1 Experience in managing client's Self-Insurance Fund:

Client Name	Type of Services Provided	Duly Authorised Client Contact Person	Contact Details (E-mail & Tel no)

#### 1.2 Experience in managing Self-Insurance claims

Client Name	Type of Services Provided	Duly Authorised Client Contact Person	Contact Details (E-mail & Tel No)

#### 1.3 Experience in investment of Fund amounts:

Client Name	Type of Services Provided	Duly Authorised Client Contact Person	Contact Details (E-mail & Tel No)


### PROPOSED PRICING SCHEDULE

Service Provider	Total Excl. VAT	Total Inc VAT
	R	R

Designing the Self-Insurance Fund and provision of advice on self-insurance strategy	R (for 3 years)
Processing of insurance claims and following up on payments	R (for 3 years)
Administration of the fund (Accounting, analysis and record keeping)	R (for 3 years)
Investing the Fund amount at a rate acceptable to TCTA	R (for 3 years)
Sub-Total	R (for 3 years)
VAT @ 15%	R
<b>Grand Total</b>	<b>R (for 3 years)</b>

All prices must include disbursements