A new word for water

REQUISITION FOR EMERGENCY BID (URGENCY)

DATE SUBMITTED:	19/05/2026
PROCESS REQUESTED	Emergency RFQ
DESCRIPTION:	Appointment of a service provider to provide actuarial valuation services
DURATION:	As and when required for the 2025/26, 2026/27, and 2027/28 financial years.
REQUESTOR:	Mothipitla Chuene
DIVISION: **DEPARTMENT:**	Office of the Chief Financial Officer (OCFO) Finance
APPROVAL DATE:	Eg. DD/MM/YYY
DATE OCCURRED:	Eg. DD/MM/YYYY
EXPENDITURE TO DATE:	N/A
ESTIMATED CONTRACT VALUE	R50 000
NAME OF SERVICE PROVIDER/S:	ARCH Actuarial Consulting
STATUS OF CURRENT OR PREVIOUS BIDS	N/A

BACKGROUND

TCTA must adopt Generally Recognised Accounting Practice (GRAP) as a financial reporting framework for the first time in 2025/26 financial year. This was due to the non-approval of the exemption application to the National Treasury regarding the continued reporting of annual financial statements based on the International financial reporting Standards (IFRS). The National Treasury instructed TCTA to report based on GRAP from the 2025/26 financial year.

The feedback on the application came mid-January 2026, leaving a limited amount of time to implement the transition.

Accordingly, TCTA must appoint a service provider to perform actuarial valuation in terms of GRAP.

GUIDANCE	
For Emergency Bids (URGENCY)	
1.	The emergency bid process may only be used for emergencies and urgent cases.
2.	Should an emergency situation and an urgent case arise in line with the above, the RD must obtain approval via the following mediums: a) Email if it is during office hours (08:00 – 16:30); or b) Telephone, if it is after hours.
3.	Should no authority be available or respond after the second attempt, a notification must be sent via SMS before commencing with the emergency procurement. The risk of undertaking an emergency process without prior approval shall rest with the approval authority.
4.	An RD must not approach a supplier without this prior approval or notification.
5.	Insurance cover policies shall always be considered when starting an emergency procedure;
6.	Once approval has been granted, the RD must verify that the potential supplier is registered on CSD or contact Procurement in this regard or approach suppliers that have been previously used by TCTA to provide the goods and/or services.
7.	The RDs request to the supplier must be in writing (SMS shall be deemed as written communication for these purposes) and must advise the supplier to provide proof of B-BBEE, proof of tax compliance, CSD registration and a bank letter with banking details not older than 3 (three) months within 7 (seven) working days of the request.
8.	An emergency bid is still a bid in terms of the PPPFA, with the only exception being that the appointment can be made before the bid's specification, evaluation and adjudication.
9.	The RD shall request the supplier for an invoice the next business day or as soon as possible after the emergency has been addressed.
10.	Once an invoice has been provided, the RD must send a requisition with supporting documents to the relevant procurement mailbox.
11.	Once a Procurement Specialist has been allocated, they shall, together with the RD, prepare a bid evaluation report for approval by the relevant committee, detailing the following: a) The details of the approval; b) The name of the supplier and how they were identified;

c) The scope of work/services;

d) The status of the services/works provided;

e) All signed SBD documents;

f) The amount invoiced by the supplier; and

g) A recommendation for retrospective approval from the person or committee that would have considered the matter had a normal procurement process been followed.

12. All emergency processes should be ratified at the relevant adjudication committee or by the SM:P with delegated authority.

MOTIVATION

In line with the requirements of GRAP 25: Employee Benefits, the entity is required to recognise and measure employee benefit obligations, including those arising from constructive obligations created through established practices. These obligations include other long-term employee benefits that are not expected to be settled within twelve months after the reporting date.

Other long-term employee benefits may include long-service awards, long-service leave, performance-related bonuses, long-term disability benefits, and deferred remuneration. GRAP 25 requires that these obligations be measured and recognised in the statement of financial performance, including service costs, interest costs, and actuarial gains and losses.

Accordingly, given the urgency management has elected to issue an emergency RFQ for actuarial valuation to be performed in line with GRAP as part of GRAP transition. The purpose of the valuations is to realistically quantify the value of TCTA’s ongoing provision of long service benefits in accordance with GRAP 25. This allows TCTA to accurately update its financial statements.

Given the specialised nature and complexity of measuring long-term employee benefit obligations, GRAP 25 recommends the involvement of a qualified actuary to perform the valuation. Accurate actuarial valuations are essential to ensure compliance with applicable accounting standards and to support the integrity of the entity’s financial statements.

Accordingly, the entity seeks to appoint a suitably qualified and experienced actuarial service provider to perform the valuation of its employee benefit obligations in compliance with GRAP 25.

The selection of potential service providers that have the capability to provide the actuarial valuation was based on their past involvement with the entity, reputation and number of years in

actuarial valuation services. The request for quotation for this service was issued to four (4) reputable service providers in the market. However, only ARCH and One Pangaea responded with an incomplete submission. Due to this, the bid was unsuccessful and is now being re-submitted as a single-source requisition. A brief summary highlighting the above for the selected firm is as follows: 1. ARCH Actuarial Consulting ARCH was founded by Chanan Weiss in 1998 with a view to providing personalised and independent actuarial valuation and consulting services. His experience in the areas of retirement fund consulting, damages (third party) claims and employee benefit valuations set the foundation for the ongoing development of actuarial models, reports and consulting that continue as the backbone of ARCH's service suite. He was also involved in performing valuation for TCTA for the past 2 years.
SCOPE OF WORK
DETAILED DESCRIPTION OF GOODS/SERVICES
What/Who/When/How 1. The purpose of this RFQ is to appoint an **independent and suitably qualified service provider** to perform Actuarial valuation services in line with **GRAP for inclusion in the Annual Financial Statements (AFS)** prior to submission for external audit by the Auditor-General of South Africa (AGSA). 2. The objective is to obtain **independent valuation as the services are of specialised nature and cannot be performed inhouse** 3. The appointed service provider will be required to provide an actuarial valuation report performed in line with GRAP
COMPANY EXPERIENCE REQUIRED
Detail expertise required and how many years of experience are required The company must have completed at least a minimum of three (3) projects in the provision of measuring the long service award liability or related service in terms of GRAP 25 standard in the last seven (7) years. The actuary involved in performing the valuation for TCTA has have been involved for more than 20 years, in over 1,000 valuations for more than 200 clients including the City of Cape Town, City of Tshwane and Transnet.
PERSONNEL EXPERIENCE REQUIRED
Detail expertise required and how many years of experience are required 1. The lead must have a minimum of 5 years' work experience in actuarial valuations or related services in terms of GRAP 25 standard.

2. The Actuary must be registered with the Actuarial Society of South Africa i.e. FASSA, TASSA, AMASSA or CERA. A valid membership certificate must be submitted.

Focus on this RFQ will be performed by the experienced management team of ARCH

DELIVERABLES

What key outputs are required, how will they be measured and when are they required

The service provider must provide:

a) A Valuation report in line with GRAP 25

The service provider indicated they can finish the valuation within 4 days, ahead of ARC and Board.

PRICING/BREAKDOWN OF COSTS

Insert Pricing Schedule for Limited Bidding

See Annexure A attached.

ATTACHMENTS (YES/NO/NOT APPLICABLE)

BUDGET CHECKER	YES
CORRESPONDENCE TO SERVICE PROVIDER	None yet
INVOICES/ESTIMATES	N/A – price estimate will come from responses

REQUESTING DIVISION:

	NAME:	DESIGNATION:	SIGNATURE AND DATE
PREPARED BY:	**Mothipitla Chuene**	**Financial Reporting Specialist**	Signed by:Mothipitla Chuene Signed at:2026-05-19 10:34:32 +02:00 Reason:I approve this document Mothipitla Chuene
RECOMMENDED BY:	**Wendy Nkambule**	**SM: Finance**	Signed by:Sweetness Wendy Nkambule Signed at:2026-05-19 10:57:21 +02:00 Reason:I approve this document
APPROVED BY:	**Azwianewi Nelwamondo**	**SM: SCM**	Signed by:AZWIANEWI NELWAMONDO Signed at:2026-05-19 14:27:30 +02:00 Reason:Witnessing AZWIANEWI NELW

The signatory of this document hereby guarantees that they are authorised to do so in line with TCTA Operational Delegation of Authority as amended from time to time, as at the time of signature.