



EXPRESSION OF INTEREST (EOI)

EOI NUMBER : SHRA/EOI/CAR/01/202425

CLOSING DATE : FRIDAY, 06 DECEMBER 2024

TIME : 11H00

DESCRIPTION : REQUEST FOR AN EXPRESSION OF INTEREST (EOI) FROM SHRA ACCREDITED SOCIAL HOUSING INSTITUTIONS AND/OR OTHER DELIVERY AGENTS TO REGISTER THEIR INTEREST IN THE TAKEOVER OF SOCIAL HOUSING PROJECTS IN THE FREE STATE, GAUTENG, EASTERN CAPE AND MPUMALANGA PROVINCES.

BRIEFING:

Yes

☒

No

☐

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DOCUMENTS IN THIS BID DOCUMENT PACK

Bidders are to ensure that they have received all pages of this document, which consist of the following documents:

SECTION A

1. Background
2. Expression of Interest (EOI) Submission Conditions and Instructions
3. Expression of Interest

SECTION B

1. Invitation to Bid (SBD 1)
2. Submission Checklist

SECTION A

1. BACKGROUND

The Social Housing Regulatory Authority ("SHRA") was established by the National Department of Human Settlements as prescribed by the Social Housing Act (Act 16 of 2008). The SHRA is classified as a national public entity listed under Schedule 3A of the Public Finance Management Act (Act 1 of 1999) ("PFMA").

The SHRA has been operational since January 2011, with a mandate to regulate, invest in and capacitate the social housing sector. The social housing programme aims to deliver affordable rental housing for low to medium income groups, currently these are households whose income levels are between R1 850 and R22 000. There are social housing projects throughout all nine (9) provinces.

The delivery and management of social housing units and projects is done through accredited Social Housing Institutions (SHIs) and private sector companies known as other delivery agents (ODAs) collectively defined as social housing landlords (SHLs).

1.1 MISSION

To ensure there is quality housing for lower- to middle-income households in integrated settlements by investing in, enabling, regulating, and transforming the affordable social housing rental market.

1.2 VISION

To create an integrated South Africa where citizens live a good quality life in well-located, affordable, and quality rental homes.

1.3 FUNCTIONS

- Promote the development and awareness of social housing by providing an enabling environment for the growth and development of the social housing sector.
- Provide advice and support to the National Department of Human Settlements in its development of policy for the social housing sector and facilitate national social housing programmes.
- Provide best practice information and research on the status of the social housing sector.
- Support provincial governments with the approval of project applications by social housing institutions.
- Provide assistance, when requested, with the process of the designation of restructuring zones.
- Enter into agreements with provincial governments and the National Housing Finance Corporation to ensure the co-ordinated exercise of powers

2. EOI SUBMISSION CONDITIONS AND INSTRUCTIONS

2.1 FRAUD AND CORRUPTION

- 2.1.1 All bidders are to take note of the implications of contravening the Prevention and Combating of Corrupt Activities Act, Act No 12 of 2004 and any other Act applicable.

2.2 COMPULSORY BRIEFING SESSION

- 2.2.1 To be considered, all potential respondents must attend a compulsory briefing session on **Friday, 22 November 2024 at 11h00** at Social Housing Regulatory Authority, Sentinel Building, 3rd Floor, Sunnyside Office Park, 32 Princess of Wales, Parktown 2193.

- 2.2.2 Bidders are to register on this link: <https://forms.office.com/r/FEB4PFh1m5> by **Thursday 21 November 2024 @ 00h00 (midnight)**.

2.3 CLARIFICATIONS/QUERIES

- 2.3.1 Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning the bid, is to be requested in writing (e-mail) to Ms. Dziphathutshedzo Nevari at nevarit@shra.org.za by **Thursday, 28 November 2024 at 16h00**. The bid number should be mentioned in all correspondence. Telephonic requests for clarification will not be accepted. If appropriate, the clarifying information will be made available to all bidders by e-mail only.

2.4 SUBMITTING BIDS

ONE HARD COPY AND ITS SOFT COPY IN USB FORMAT.

Faxed or e-mailed bids will not be accepted.

Bids should be submitted in a sealed envelope, marked with:

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- ☐ EOI number: **SHRA/EOI/CAR/01/202425**
- ☐ Closing date and time: **06 December 2024 @11h00**
- ☐ The name and address of the bidder

Documents submitted on time by bidders shall not be returned.

2.5 LATE BIDS

- 2.5.1 Bids received late shall not be considered. A bid will be considered late if it arrived only one second after 11h00 or any time thereafter. Bids arriving late will not be considered under any circumstances. Bids received late shall be returned unopened to the bidder.

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- 2.5.2 Bidders are therefore strongly advised to ensure that bids be despatched allowing enough time for any unforeseen events that may delay the delivery of the bid.
- 2.5.3 The official Telkom time (dial 1026) will be used to verify the exact closing time (11h00)
- 2.5.4 Bids sent to SHRA via normal post, or any other mechanism (other than personal delivery in the bid box by the bidder) shall be deemed to have been received on the date and at the time of arrival at the SHRA premises (tender/bid box or reception). Bids received at the physical address after the closing date and time of the bid, shall therefore be deemed to be received late.

2.6 DIRECTIONS TO SHRA OFFICE FOR DELIVERY OF BIDS

- 2.6.1 Bidders should allow time to access the premises due to security arrangements that need to be observed.

2.7 FORMAT OF BIDS

- 2.7.1 Bidders must complete all the necessary bid documents and undertakings required in this bid document. Bidders are advised that their bid should be concise, written in plain English and simply presented.
- 2.7.2 Bidders are to set out their bid in the following format:

Part 1: Invitation to Bid

Bidders must complete and submit the Invitation to Bid document.

3. EXPRESSION OF INTEREST

3.1. Introduction

- 3.1.1. The Social Housing Regulatory Authority (“the SHRA”) has the mandate (*in terms of The Social Housing Act No. 16 of 2008 (“the Act”)*) to regulate social housing institutions (“SHIs”) and other delivery agents (“ODAs”), hereinafter collectively referred to as “social housing landlords” who have undertaken approved projects with the benefit of public funds.
- 3.1.2. In the case where a particular social housing landlords is found to be non-compliant with the Act and/or its Regulations, the SHRA is empowered, in terms of Section 12 of the Act, to intervene and to place such institution under administration. Once the SHI is under administration the SHRA may, *inter alia*, transfer the social housing stock or rights of that SHI to another SHI that is prepared to accept such transfer on such terms and conditions as may be agreed at the time.
- 3.1.3. This Request for Expression of Interest (“EOI”) relates to social housing landlords in the following arears:

Province	City/Area	No. of SH units
Free State	Bloemfontein	1051
Gauteng	Soweto	123
	Springs	423
	Tshwane	814
	Westernaria	126
Mpumalanga	Emalahleni (Klarinet)	104
Eastern Cape	East London	603
Total No. of Units		

- 3.1.4. These social housing landlords that had been entrusted with the management of these portfolios have been placed under the administration of the SHRA and the purpose of this EOI is to invite suitable social housing landlords (existing accredited SHIs or ODAs) to express interest in the onward management the social housing stock on the terms and conditions to be agreed on with the SHRA.

3.2. Sourcing of an SHI/s or ODA/s

3.2.1. The SHRA is therefore calling for accredited SHIs and/or ODAs who are prepared and capacitated to accept transfer of the social housing stock or rights of these SHIs, thus taking on the ongoing management of the respective Projects, to come forth and register their expression of interest with the SHRA.

3.3. Criteria and Requirements

3.3.1. Overall Criteria:

3.3.1.1. Accredited SHIs (fully or conditionally accredited) and/or ODAs with at least 5 years-experience of managing at least 500 SH units and that has been in good standing with the SHRA over the past 4 quarters and currently compliant with the Act and SH Regulations (i.e. that is not under remedial action, under enforcement or that have overdue compliance conditions).

3.3.2. Specific criteria:

GOVERNANCE	Skilled/experienced board in place
	Legally compliant
	Organisation performance -KPI thresholds met
	Clean audit – past year
	Strategic plan for the take-on the relevant amount of units
	Level 1 -3 B-BBEE
ORGANISATION	Key staff in place
	Planned organisation structure
	Planned office infrastructure
FINANCIALLY VIALE	Current ratio (measures liquidity)
	Return on Net Assets (measures profitability)
	Debt to equity ratio (measures debt levels)
	Debt service cover ratio (measures cash flow)
	5. Projected financial results – including the 1054 unit
TENANT MANAGEMENT	Results of last tenant satisfaction survey including the current status of items where satisfaction levels were low

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PROPERTY MANAGEMENT	Vacancy rates
	Unit turnover rate and if high reasons for unit turnover and responding plans to address weaknesses
	Budgeted rent – past financial year and projected for current year
	Raised rent– past financial year and projected for current year
	Rent collected– past financial year and projected for current year
	Rent collection rate
	5. Bad debts written off – past 3 years
	6. Bad debts as a % of revenue
	7. Maintenance cost per unit per year for the past 3 years
	8. Maintenance reservation rate – linked to a long-term maintenance plan

3.3.3. Requirements from Interested SHIs and/or ODAs:

3.3.3.1. Current accreditation certificate and latest compliance notice;

3.3.3.2. Proof of Company registration compliance and MOI;

3.3.3.3. Latest Audited Annual financial statements & management letter and letter of good standing from debt funders;

3.3.3.4. Organisation – current and planned (for the take-on of the 1054 units);

3.3.3.5. Location of head office and/or decentralised offices;

3.3.3.6. Portfolio of properties: Planned, under development, under management;

3.3.3.7. *Financial and property performance: KPI's and thresholds – see schedule below:

KPI	THRESHOLD	SHI PERFORMANCE
Current ratio (measures liquidity);	above 1	

Return on Net Assets (measures profitability).	above 0%	
Debt to equity ratio (measures debt levels);	below 90%	
Debt service cover ratio (measures cash flow).		
Rent collection rate	greater than 95%	
Vacancy rate	less than 5%	
Bad debts as a % of revenue	less than 5%	
Maintenance cost per unit per year		
Maintenance reservation rate	1.02% of dev cost	
Direct property costs per unit per month	>R950	
Overhead costs per unit per month	>R	
Tenant turnover rate and main reasons for turnover		
Tenant satisfaction levels		
No & types of tenant-initiated cases at the rental tribunal		
No of tribunal cases awarded against the SHI		

3.3.3.8. Latest Tenant satisfaction survey results; and

3.3.3.9. Records of rent boycotts (if any), matters at the rental tribunal and evictions.

3.4. FORMAT OF THE PROPOSAL

One hard copy and its soft copy in USB format.

The proposal of the bidder **MUST** adhere to the prescribed format

INVITATION TO SUBMIT BIDS

YOU ARE HEREBY INVITED TO PROPOSE FOR REQUIREMENTS OF THE SHRA

EOI NUMBER: SHRA/EOI/CAR/01/202425 **CLOSING DATE:** 06 December 2024

CLOSING TIME: 11h00

DESCRIPTION: REQUEST FOR AN EXPRESSION OF INTEREST (EOI) FOR THE SHRA ACCREDITED SOCIAL HOUSING INSTITUTIONS AND/OR OTHER DELIVERY AGENTS TO REGISTER THEIR INTEREST FOR THE TAKE-ON OF A SOCIAL HOUSING PROJECTS IN THE FREE STATE, GAUTENG, EASTERN CAPE AND MPUMALANGA PROVINCES.

VALIDITY PERIOD: Proposal to be valid for 120 days from the closing date of the bid.

The successful bidder will be required to fill in and sign a written Contract Form.

BID DOCUMENT MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

Ms Dziphathutshedzo Nevari
Supply Chain Management
SHRA
Sunnyside Office Park
3rd Floor, Sentinel House
32 Princess of Wales Terrace
Parktown

Faxed or e-mailed bids will not be accepted.

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

Bids can be delivered between 08h30 and 16h30, Mondays to Friday, prior to the closing date and between 08h30 and 11h00 on the closing date.

All bids must be submitted on the official forms (not to be re-typed).

This EOI is subject to the following:

- ☐ Bids submitted that do not comply with the following will be disqualified
- ☐ A late Bid (a bid arriving one second after 11h00 or any time thereafter)

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PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	SHRA/EOI/CAR/01/202425	CLOSING DATE:	06 December 2024	CLOSING TIME:	11h00
DESCRIPTION	REQUEST FOR AN EXPRESSION OF INTEREST (EOI) FOR THE SHRA ACCREDITED SOCIAL HOUSING INSTITUTIONS AND/OR OTHER DELIVERY AGENTS TO REGISTER THEIR INTEREST FOR THE TAKE-ON OF A SOCIAL HOUSING PROJECTS IN THE FREE STATE, GAUTENG, EASTERN CAPE AND MPUMALANGA PROVINCES.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
SHRA, Sunnyside Office Park, Sentinel House, 3rd Floor, 32 Princess of Wales Terrace, Parktown					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON		CONTACT PERSON			
TELEPHONE NUMBER		TELEPHONE NUMBER			
E-MAIL ADDRESS		E-MAIL ADDRESS			
SUPPLIER INFORMATION					
NAME OF BIDDER					
NAME OF REPRESENTATIVE					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER PART B:3]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES	☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES	☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES	☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES	☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES	☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

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PART B

SBD 1

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

TOTAL BID PRICE (ALL INCLUSIVE)

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....

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BIDDERS ARE ENCOURAGED TO USE THE FOLLOWING CHECKLIST WHEN SUBMITTING THEIR BIDS:

DETAILS	TICK BY BIDDER
Part 1: Completed and signed the invitation to bid document (SBD 1)	
Part 9: Submitted compliance documents refer to items 3.3.2 and 3.3.3.	
Part 10: Bidders National Treasury Central Supplier Database (CSD) forms indicating the validity of the bidder's registration.	
CIPC Document	