



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

REQUEST FOR TENDER

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SUITABLE SERVICE PROVIDER TO DEVELOP A SUSTAINABLE FUNDING MODEL FOR THE ACADEMIC AND OCCUPATIONAL PROGRAMMES OFFERED AT COMMUNITY EDUCATION AND TRAINING COLLEGES

RFP NUMBER: **DHET 147**

Date Issued: **27 August 2021**

Closing date and time: **20 September 2021 at 11:00**

Bid Validity Period: **90 days**

TENDER BOX ADDRESS:

Department of Higher Education and Training

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REQUEST FOR TENDER

Terms of Reference for the appointment of a service provider/consultant/team of experts to develop a sustainable funding model for the academic and occupational programmes offered at Community Education and Training Colleges

PART A – INFORMATION ON THE TENDER

1. BACKGROUND

- 1.1. In 2009, the President of the Republic of South Africa, signed Proclamation No. 4 of 2009 published in Government Gazette No. 32367 of 1 July 2009. The Proclamation provided the Minister of Higher Education and Training with the responsibility of Adult Basic Education and Training (ABET) that was previously managed by Provincial Education Departments (PEDs).
- 1.2. The effect of the Proclamation was made possible through the Higher Education and Training Laws Amendment Act, 2010 (Act No. 25 of 2010). Through this Act, the ABET concept was changed to Adult Education and Training (AET) in order to eliminate the concept "basic" from the naming of the institutional type. Notwithstanding the change, the provision of adult basic education as a programme of government still had to be catered for in the post-school education and training (PSET) system established in 2009, in order to comply with the provisions of section 29 (1) of the Constitution of the Republic of South Africa.
- 1.3. Amendments were subsequently made to change the name of the Further Education and Training Colleges Act to Continuing Education and Training Act, 2006 (Act No.16 of 2006), which introduced the new Community Education and Training (CET) college as one type of a public college. The Act then became the primary legislation governing CET colleges. To give effect to this, nine (9) CET colleges (one per province) were established through Government Gazette No.38570 in 2015.

2. PURPOSE OF THE TENDER

- 2.1. The purpose of the tender is to appoint a service provider (SP) to develop a sustainable funding model for the academic and occupational programmes offered at CET Colleges. In addition, the SP must develop processes and procedures to be followed whenever there is a need to update the model parameters and the costs. The costing model should also enable the costing of any new programmes other than the ones currently offered at CET colleges.

3. SCOPE AND DEFINITION OF WORK

3.1. The appointed service provider will develop a funding model with detailed costing of programmes as well as a sustainable funding framework to distribute funding for CET Colleges. The determination of the model will ensure an appropriate funding formula which takes into account all possible variables, including but not limited to minimum funding for basic college operations, enrolment numbers, programme and qualification mix, duration of programmes, lecturing and support staff required for different programmes. The following is the main tasks of the Project:

- 3.1.1. Develop a Funding Model that will enable delivery of all programmes offered at CET Colleges. The SP must conduct costing taking into account the real costs of the input elements.
- 3.1.2. Develop processes and procedures to periodically update the model parameters and the costs.
- 3.1.3. Test the final Costing Model using the required identified data.
- 3.1.4. Develop an Operating Manual.
- 3.2. Based on the costing conducted, there must be a clear distinction between Personnel Costs; Non-Personnel-Non-Capital (NPNC) Costs; and Capital Infrastructure costs (which are mainly for maintenance) and replacement of obsolete furniture and equipment.
- 3.3. The above-mentioned costs must be translated into the ratios for Personnel Costs; NPNC Costs; and Capital Infrastructure costs.
- 3.4. Conduct interviews (if necessary virtual meetings can be held) with all role-players including officials in the Department of Higher Education and Training (the Department), Regional Offices, CET Colleges (including staff at Community Learning Centres and Satellites). The SP will be provided with the list and physical addresses of all CET Colleges and Regional Offices that shows location per province.
- 3.5. Develop a final report incorporating at least the following:
 - Assumptions used in developing the Funding Model;
 - Results of testing the final Costing Model;
 - Processes, and procedures to periodically update the model parameters and the costs that it calculates;
 - Operating Manual;

- Distinction between Personnel Costs; NPNC Costs; and Capital Infrastructure Costs as well as the ratios thereof;
- Develop a skills transfer plan detailing how the Department and CET College officials will be trained to utilise the Funding Model; and
- Conduct the Skills transfer.

4. DELIVERABLES

4.1. The key deliverables of the project are as follows:

- 4.1.1. Provide the Department with a project plan indicating resources and the timeframes on the activities to be carried out relating to their scope of work, within one week of commencement of the project.
- 4.1.2. Submit a draft Funding Model and the Operating Manual to the Department for review within three (3) months after the date of appointment of the SP, together with the assumptions used in developing the draft Funding Model.
- 4.1.3. Provide Standard Operating Procedures to periodically update the model parameters and the costs that it calculates.
- 4.1.4. Submit the final Funding Model that includes an appropriate funding formula which takes into account all possible variables and parameters. The model must be automated and can be updated with input costs.
- 4.1.5. Provide a report outlining the findings and recommendations by the end date of the contract period. The report must be accompanied by a final Operating Manual which should outline the methodology to address future amendments and to update programme costs.
- 4.1.6. Provide a skills transfer report on skills transfer conducted.
- 4.2. The deliverables will be finalised once the Department has been afforded an opportunity to peruse for inputs, and after incorporation of such inputs into the final deliverables.
- 4.3. The functionality of the costing model must be tested. A report on the functionality should also be provided by the end date of the contract.

5. APPROPRIATE QUALIFICATIONS, EXPERIENCE, SKILLS AND KNOWLEDGE

- 5.1. The SP must (as a minimum) comprise the following skills, expertise and knowledge for implementation of this project:

- 5.1.1. Qualified accountant with extensive Cost Management or Cost Accounting experience. A qualification in Actuarial Science will be an added advantage.
- 5.1.2. ten (10) year Public-Sector experience especially in PSET for the team leader.
- 5.1.3. five (5) year Public-Sector experience especially in PSET for the team members.
- 5.1.4. researcher with excellent analytical skills, particularly in the area of education, including appropriate statistical expertise.
- 5.1.5. Knowledge of education systems and education reform, either in South Africa or internationally, especially of the PSET sector.
- 5.1.6. Five (5) years project management knowledge and skills based on past experiences.
- 5.1.7. Knowledge of Sector Education and Training Authorities (SETAs).

6. DURATION OF THE CONTRACT

- 6.1. The successful bidder will be appointed to render the requisite service portfolio for a maximum period of six (6) months from the date of commencement of the Project.
- 6.2. Work will commence upon issuing of a purchase order.
- 6.3. It is foreseen that the project will be finished by 31 March 2022.
- 6.4. Although the exact scheduling of inputs and allocation of days will be agreed to between the Department and the consulting team, it is envisaged that the assignment will be carried out in six missions as outlined in Table 1 below:

No	Broad Tasks	Envisaged number of Working Days
1	Development and submission of the Project Implementation Plan	5 days
2	Development and submission of the draft Funding Model and Operating Manual for review by the Department.	2 months
3	Development and submission of the Standard Operating Procedure for updating the model parameters	1 month
4	Development and submission of the final Funding Model including the funding formula of programmes	2 months
5	Provide the final report which includes findings and recommendations. The report should include the final Operating Manual	20 days
6	Provide skills transfer plan	5 days.

PART B – LEGISLATIVE FRAMEWORK

1. TAX LEGISLATION

- 1.1. Bidders must be vigilant of compliance measures and requirements when submitting a proposal to the Department and remain compliant in terms of all applicable tax legislation for the entire contract period, including but not limited to the application parameters of the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
- 1.2. It is a pre-condition of this bid document that the tax affairs of the successful bidder will be in order, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) in meeting the bidder's pending tax obligations.
- 1.3. The relevant tax compliance status requirements are also applicable to any foreign bidders / individuals who wish to participate during the bidding process.
- 1.4. It is a requirement that bidders when submitting a bid, provide written confirmation that SARS may on an ongoing basis and for the duration of the tenure of the contract, disclose the bidder's tax compliance status. By the very act of submitting a bid, such a confirmation therefore is also deemed to have been granted by the potential bidder.
- 1.5. Bidders must be registered on the National Treasury Central Supplier Database (CSD) prior to the submission of bidding documentation and National Treasury will accordingly verify the bidder's tax compliance status through screening of the requisite information provided on the Central Supplier Database.
- 1.6. Where consortia / joint ventures and/or sub-contractors are involved in the bidding process, each party must be registered individually on the Central Supplier Database and their tax compliance status will accordingly be verified by National Treasury through the Central Supplier Database.

2. PROCUREMENT LEGISLATION

- 2.1. The Department utilises a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated phased under Section 76 of the *Public Finance Management Act, 1999 (Act, No. 1 of 1999)*, the *Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000)*; the *Preferential Procurement Regulations, 2017* and the *Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003)*.

3. TECHNICAL LEGISLATION AND/OR STANDARDS

- 3.1. Bidder(s) should at all times be cognisant of the relevant legislation and/or standards specifically applicable to the service portfolio to be rendered in terms of this tender.

3.2. PART C – THE BIDDING PROCESS

1. TIMELINE OF THE BID PROCESS

1.1. The validity period and possible withdrawal of offers, subsequent to the closing date and time of this tender is 90 days. The relevant project time-frames in terms of this bid are indicated as follows:

Activity	Due Date
Advertisement of the bid via National Treasury e-tender portal / Department's website	27 August 2021
Compulsory Virtual Briefing session	Date: 3 September 2021 Time: 11:00am Via Microsoft Teams Online Meeting: Follow a link on the Department website or National Treasury e-tender portal
Questions related to the bids received from bidder(s)	Up to 8 September 2021
Answers on website	13 September 2021
The bid closing date	20 September 2021 at 11:00

1.2. All dates and times in this bid are determined in accordance with South African standard time.

1.3. Any time or date reflected in this bid is subject to change at the Department's discretion.

The determination of a time or date in this bid does not presuppose an obligation on the part of the Department in taking action, or creating by any manner rights in terms of which bidders may demand that specific action(s) be undertaken on the date(s) accordingly reflected in this bid. The bidder therefore accepts that, in the event of the Department extending the deadline for bid submissions (the closing date) based on and influenced by whichever circumstance, the conditions and requirements attached to this bid remain unaltered and apply equally with regard to the revised deadline.

2. COMPULSORY VIRTUAL BRIEFING SESSION

2.1. A compulsory virtual briefing session for all prospective bidders will be held via Ms Teams.

2.2. The details of the compulsory virtual briefing session are as follows:

Date: 03 September 2021

Time: 11:00

Via Ms Teams: Follow a link on the Department website or National Treasury E-tender portal.

- 2.3. No reimbursement of expenses incurred by prospective bidders to attend the session will be possible.
- 2.4. Failure to attend the compulsory briefing session will result in disqualification of a proposal.

3. CONTACT AND COMMUNICATION

- 3.1. A nominee on behalf of the bidder may make enquiries in writing, up and until **08 September 2021**, to the Directorate: Supply Chain Management, via email at Tenders@dhet.gov.za. The delegated office of the Department is entitled to communicate with Bidders whenever further clarity is sought regarding information provided in bid proposals.
- 3.2. Any communication by Bidders addressed to or with an official or person acting in an advisory capacity on behalf of the Department, in so far as it has relevance to bid proposal, during the period commencing from the bid closing date and that of awarding of the tender is strongly discouraged.
- 3.3. All communication between Bidders and the Department must be provided in writing.
- 3.4. While due care has been taken regarding the finalisation of this bid, the Department duly makes no representations or provides any warranty that the contents thereof, or any part of the information accordingly communicated or provided to Bidders during the bidding process is accurate, current and/or complete. The Department and its employees/advisors therefore will not be liable in relation to any information communicated and proves to be inaccurate, outdated and/or incomplete.
- 3.5. In the event of bidders reasonably believing there to be substantive discrepancy, ambiguity, error or inconsistency contained in this bid or any part of other information provided by the Department (excluding any minor clerical matters), bidders must promptly bring such a discrepancy, ambiguity, error or inconsistency, in writing, to the attention of the Department before the closing date with the aim of affording the Department an opportunity to consider the issue(s) and where required, take the requisite corrective action.
- 3.6. All bidders (including any other relevant persons) obtaining or receiving the bid and/or any other information in relation to the bid or the tender process are obliged to keep the entire contents of the bid and all related information confidential and may not disclose or use the information in any other manner than for the express purpose of developing a proposal in response to this bid.

- 3.7. Any actual discrepancy, ambiguity, error or inconsistency in relation to the bid or part of any other information provided by the Department will, where possible, be corrected and the revised documentation be published.

4. LATE BIDS

- 4.1. Bids received at the address indicated in the bid documents after the specified closing date and time, will not be accepted for consideration and where practical, will be returned unopened to the bidder(s).

5. COUNTER CONDITIONS

- 5.1. Bidders are advised that subsequent **amendments to any of the Bid Conditions, the proposals of any counter conditions by bidders or qualifications made in respect of the Bid Conditions shall result in the immediate disqualification of such bids.** Bidders should therefore adapt their standard conditions in line with those that are issued by the Department.

6. FRONTING

- 6.1. The Department supports the spirit of broad - based black economic empowerment and recognises that true empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and garnering opportunities in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Department strongly condemns any form of fronting.
- 6.2. The Department, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations in determining the accuracy of the representations made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be determined during such an enquiry/investigation, the onus rests on the bidder/contractor to prove that the allegation of fronting does in fact not exist. Failure to do so within a period of 14 days and determined from the date of notification may invalidate the bid/contract and also result in the restriction of the Bidder/contractor to conduct business with the public sector for a subsequent period of up to ten years and in addition to any other actions the Department may have at its disposal and accordingly wish to institute against such bidders/contractors.

7. SUPPLIER DUE DILIGENCE

7.1. The Department reserves the right to conduct rolling out due diligence on suppliers prior to final awarding of the contract, or on an occasional basis during the implementation of the mandated contract period. These actions may also include site visits and requests for the provision of additional information.

8. SUBMISSION OF PROPOSALS

8.1. Bid documents must be placed in the Department's tender box situated in **117/ 123 Francis Baard Street, Pretoria, 0001** (Opposite Pretoria Magistrate Court) on or before the closing date and time.

Closing Date: **20 September 2021**

Closing Time: 11:00

8.2. Bid documents will only be considered if received by the Department before or on the closing date and time, regardless of the method used to send or deliver such documents to the Department.

8.3. Bidder(s) are required to submit 2 copies, (one (1) original hard copy file and one (1) soft/electronic copy). Each file must be marked correctly and sealed separately for ease of reference during the evaluation process.

8.4. Bidders are requested to initial the bottom right-hand corner of each page of the tender document. On pages where bidders are required to provide full signatures, initialling at the bottom of these pages is not required.

9. MANDATORY BID DOCUMENTS

9.1. The Department has set minimum standards that bidders need to meet as a precursor to evaluation and selection as the successful.

9.2. The minimum standards consist of the following criteria:

Pre-qualification Criteria (Phase 0)	Technical Evaluation Criteria (Phase 1)	Price and B-BBEE Evaluation (Phase 2)
Bidders must submit all documents as outlined in paragraph 9.3 below. Only bidders that comply with ALL these criteria will proceed to Phase 1.	Bidders are required to achieve a minimum of 80 points out of 100 points to proceed to Phase 2 (Price and B-BBEE considerations).	Bidders will be evaluated out of 100 points and Phase 2 will only apply to bidders who have met and/or exceeded the threshold of 80 points .

9.3. **Phase 0: Pre-Qualification Criteria:**

9.3.1. Without any limitation in respect of the Department's other critical requirements relevant to this Bid, prospective bidders must submit all the documents listed in **the table** below.

Table: Documents to be submitted for pre-qualification:

Document that must be submitted for bidder [each legal persona of consortium/JV] and each subcontractor	YES/NO	Non-submission may result in disqualification
Invitation to Bid – SBD 1		Complete and sign the attached <i>pro-forma</i> document
Tax Status SBD 2		<ul style="list-style-type: none"> i. Written confirmation that SARS may on an ongoing basis during the period of the contract disclose the bidder's tax compliance status. ii. Proof of Registration on the Central Supplier Database iii. Vendor number iv. In the event where the bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification outcome will take precedence.
Declaration of Interest – SBD 4;		Complete and sign the attached <i>pro-forma</i> documents.
Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2017 SBD 6.1		Complete and sign the attached <i>pro-forma</i> document
Declaration of Bidder's Past Supply Chain Management Practices SBD 8.		Complete and sign the attached <i>pro-forma</i> document
Certificate of Independent Bid Determination SBD9		Complete and sign the attached <i>pro-forma</i> document
Registration on the Central Supplier Database (CSD report)		<ul style="list-style-type: none"> i. The bidder must be registered as a service provider on the Central Supplier Database (CSD). If not registered proceed with completing the company registration prior to submission of the proposal. Visit https://secure.csd.gov.za/ to obtain a vendor number. ii. Submit proof of registration.
POPIA form		Complete and sign the attached <i>pro-forma</i> document
Pricing Schedule (Bidder only)		Submit full details of the pricing proposal in a separate envelope

9.3.2. Each document must be completed and signed by the duly authorised representative on behalf of the prospective bidding company.

9.3.3. During this phase bid responses will be evaluated with emphasis placed on documentary compliance with the listed administrative and mandatory bid requirements.

9.3.4. **Bidders' proposal shall be disqualified as a result of non-submission;**

9.3.5. **Bidders' proposal may be disqualified as a result of non-completion of the listed documents.**

9.4. **Phase 1: Technical Evaluation Criteria = 100 points:**

9.4.1. All bidding companies are required to fully adhere to the technical evaluation criteria scorecard and compliance checklist.

9.4.2. Only Bidding companies that have fully met the Pre-Qualification Criteria in Phase 0 will accordingly be evaluated in Phase 1 for determination of functionality.

9.4.3. Bidding companies will be evaluated on an overall score of 100 points.

9.4.4. The Department as part of on-site reference will at its own discretion choose a site at one of the bidding company's clients for validation of the services rendered. The choice of site will remain Department's sole discretion.

9.4.5. Bidders are required to score a minimum of **80 points** to proceed to **Phase 2: Evaluation for Pricing and B-BBEE** status.

9.4.6. **Phase 1: Technical Evaluation Criteria:** The bidders' information will be scored according to the points determination system.

9.5. **Phase 2: Price and B-BBEE Evaluation (80 + 20) = 100 points:**

9.5.1. Only prospective bidders that have attained the **80** points allocation threshold in phase 1 will subsequently progress for evaluation in phase 2 in relation to pricing options and B-BBEE qualification criteria.

9.5.2. Pricing options and B-BBEE qualification will accordingly be evaluated as follows: In terms of Regulation 6 of the Preferential Procurement Regulations pertaining to the *Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)*, responsive bids will be adjudicated on the 80/20 (*R1 million to a maximum R50 million, all applicable taxes included*) preference point system in terms of which points are awarded to bidders on the basis of the bid pricing (**maximum 80 points**) and B-BBEE status level of the contributor (**maximum 20 points**).

9.5.3. **Stage 1 - Price Evaluation (80 Points):**

Criteria	Points
Price Evaluation $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

The following formula will be applied to calculate the points awarded in relation to pricing and this determination is informed as follows:

- Ps - Points scored for comparative pricing of the bid submitted for consideration
- Pt - Comparative pricing of the bid under consideration
- Pmin - Comparative pricing of the lowest acceptable bid

9.5.4. Stage 2 - B-BBEE Evaluation (20 Points):

9.5.4.1. B-BBEE Points allocation: A maximum of **20 points** may be allocated to a bidder based on the evaluation of the company's B-BBEE status level of contribution that is determined as follows:

B-BBEE Status Level of Contributor	Number of Points (80/20 system)	Number of points (90/10 system)
1	20	10
2	18	9
3	14	8
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

9.5.4.2. B-BBEE points are allocated to bidder on receipt of the following documentation or evidence: A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and the relevant B-BBEE Certificate.

9.5.4.3. Non- submission of a **B-BBEE** certificate will result in a zero (0) score on B-BBEE.

9.5.4.4. The points scored by a bidder in respect of the B-BBEE will be added to the points scored for price:

AREAS OF EVALUATION	POINTS
• Price	80
• B-BBEE Status Level of Contribution	20
Total	100

9.5.5. Joint Ventures, Consortiums and Trusts:

9.5.5.1. A trust, consortium or joint venture, will qualify for points on evaluation of their B-BBEE status level **as a legal entity, provided that the entity submits the requisite B-BBEE status level certificate.**

9.5.5.2. A trust, consortium or joint venture **will qualify for points** on evaluation of their B-BBEE status level **as an unincorporated entity, provided that the entity submits their requisite, consolidated B-BBEE scorecard as if they were a group structure and on condition that such a consolidated B-BBEE scorecard is prepared for every separate bid application.**

9.5.5.3. Bidders must **submit substantive proof of the existence of joint ventures and/or consortium arrangements**. The Department will accept **valid signed agreements as proof for the existence of a joint venture and/or consortia arrangement**.

9.5.5.4. **Joint venture and/or consortia agreements must clearly set out the roles and responsibilities of the lead partner**, alongside the joint venture and/or consortium. **The agreement must also clearly identify the lead partner that is accordingly provided with a power of attorney to bind** the other co-parties in all matters pertaining to the joint venture and/or consortia arrangement.

9.5.6. Claim B-BBEE Points:

9.5.6.1. Prospective bidders who wish to qualify for and claim preferential points are obligated to fully comply with regulations 3 of the PPPFA Regulation in so far as it pertains to B-BBEE points claim.

9.5.7. Sub-contracting as a requirement: (compulsory for requests that are above R30m):

9.5.7.1. 9(9) "...the successful tenderer must have sub-contracting arrangement of a minimum of 30% of the value of the contract to an enterprise which is an Emerging Macro Enterprise (EME) or Qualifying Small Enterprise (QSE) which is at least 51% owned by black people with the capability and ability to execute the sub-contract."

9.5.8. Optional Sub-contracting: (Regulation 6(5) of the Preferential Procurement Regulations, 2017):

9.5.8.1. 6(5) **"A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, UNLESS the intended subcontractor is an EME that has the capacity to execute the subcontract."**

9.5.8.2. **"EME"** means **an exempted micro enterprise** in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003).

PART D – SUBMISSIONS

1. SUBMISSION OF PROPOSAL

- 1.1. The two envelope procedure must be followed for tender submissions.
- 1.2. The first envelope must clearly state TECHNICAL SUBMISSION, wherein the bidder should address all aspects of the required scope of services.
- 1.3. The second envelope must clearly state FINANCIAL SUBMISSION, wherein the bidder should include the proposed fee for the project.
- 1.4. Proposals must be submitted in a following format: One original hardcopy file and one soft/electronic copy (USB/CD).

2. CONTENT OF THE TECHNICAL SUBMISSION

The technical submission should include the following:

- 2.1. Cover Page
- 2.2. Mandatory documents
- 2.3. Introduction and Executive Summary
- 2.4. Company and contact information of the bidder, including all parties/team members to the consortium where applicable

2.5. Exhibit 1:

The proposal must include the following:

- a short profile of the overall work of the service provider outlining in specific the level of knowledge, skills and experience (including previous projects done) in line with the requirements covering the entire scope of this tender. The knowledge, skills and experience of the team leader and team members must include the following:
 - Extensive experience in the Cost Management or Cost Accounting analysis.
 - ten (10) year Public-Sector experience especially in Post-School Education and Training for the team leader.
 - five (5) year Public-Sector experience especially in Post-School Education and Training for the team members.
 - An experience in the research field with excellent analytical skills, particularly in the area of education, including appropriate statistical expertise.
 - knowledge of education systems and education reform, either in South Africa or internationally, especially of the PSET sector.

- five (5) years project management experience, knowledge and skills based on past experiences for the team leader
- three (3) years project management experience, knowledge and skills based on past experiences for the team members
- knowledge of Sector Education and Training Authorities (SETAs).
- provide reference letters for similar projects with contact details of the referees.

2.6. Exhibit 2:

Description of methodology, process, and procedures that the service provider will deploy to achieve the requirement of the project. Provide a project plan with final outputs that must be linked to the timeframes. The project plan must contain the following:

- A short description of the envisaged methodology, processes and procedures that the service provider will deploy to ensure that each deliverable is achieved at the required level of quality.
- methodology, processes, proposed activities and plan on the updating and maintenance of the model on how the model works.
- An activity sheet and milestone plan showing how the service provider will complete and manage the project.
- Experience in monitoring and evaluation.

2.7. Exhibit 3:

- A table containing the names of all team members, their envisaged roles and responsibilities and the time they will work on the project. Include in the table the highest level of qualification and what NQF level is the qualification.
- An abridged CV of the Team Leader clearly indicating relevant experience, expertise in working in the post-school education and training sector, monitoring and evaluation as well as project management.
- An abridged CV of the person/s that will do the work, clearly indicating relevant expertise, experience and project management. (see APPROPRIATE SKILLS AND KNOWLEDGE above in exhibit 1)
- Certified copies of the highest education qualification/s of each team leader and team members, as certified by a commissioner of oath.

3. FINANCIAL SUBMISSION

- 3.1. The financial submission should include the proposed fee for the project over the six (6) months period.
- 3.2. The proposed fee should include any costs that will be incurred by the bidder, including travel and subsistence expenses. The total price or amount provided will be regarded as the cost of the project, including VAT and applicable taxes.

4. EVALUATION CRITERIA

- 4.1. The following table reflects the evaluation criteria that will be used in evaluating the technical submission.

No	Element	Weight
1	<p>Knowledge, skills and experience:</p> <ul style="list-style-type: none">a. Education background especially in the PSET sector demonstrating a thorough understanding of the Department's mandate and the education, training and skills development legislative, regulatory and policy framework, andb. Monitoring and Evaluation. <p>Source: Exhibit 3</p> <p>Guideline:</p> <ul style="list-style-type: none">• Qualifications:<ul style="list-style-type: none">• 1 team member Qualified Accountant-B Com Degree with AGA or CA certificate (2 points)• Team leader - Research based Master's Degree/ NQF Level 9 and above (2 points)• Each Team member (maximum of 4) - Bachelor's Degree/NQF level 7 (1 point each)• 1 team member-Actuarial Science Bachelors degree/NQF level 7 (2 points)• Experience:<ul style="list-style-type: none">• Team leader<ul style="list-style-type: none">▪ PSET Experience (more than 10 years – 5 points; 10 years – 4 points▪ Monitoring and evaluation performed in Education and Training sector (Public or Private) with evidence of his/her ability to prepare written presentation, reports and submissions (more than 10 years - 5 points; 5 to 10 years – 3 points; less than 5 years – 1 points)• Team Members<ul style="list-style-type: none">▪ 1 team member with experience in cost modelling (10 years - 2 points), less than 10 years – 1 point▪ 2 team members with PSET Experience (5 years or more – 2 points each) less than 5 years – 1 point▪ 1 team member with 2 years and more actuarial science experience (2 points) less than 2 years – 1 point	30

No	Element	Weight
	<ul style="list-style-type: none"> 1 team member with Monitoring and evaluation experience performed in Education and Training sector (Public or Private) (3 years and more - 2 points), less than 3 years – 1 point) 	
2	<p>Project management skills and experience in managing projects of this kind and magnitude</p> <p>Source: Exhibit 3 Guideline:</p> <ul style="list-style-type: none"> Team leader - More than 5 years - 5 points; 5 years – 2 points Team members-More than 3 years experience of team members (maximum of 5) working in this kind and magnitude of projects – 1 point per member for a maximum of 5 members, 3 years experience of team members – 3 points 	10
3	<p>Methodology and design – The methodology and approach to be employed including administration aspects of the project</p> <p>Source: Exhibit 2 Guideline:</p> <ul style="list-style-type: none"> Demonstrate an understanding of the assignment expressed in methodology and approach (excellent: 1 points, adequate: 5 points; and (poor: 0 point) Articulation of the understanding of the development, updating and maintenance of the funding model, (excellent: 10 points, adequate: 5 points, and poor: 0 point) Demonstration of a clear activity sheet and milestone plan on how the service provider will complete and manage the project(excellent: 5 points) (adequate: 3 points) and (poor: 0 point) Demonstration of a clear project management plan from inception phase to project close out (excellent: 5 points) (adequate: 3 points) and (poor: 0 point) 	30
4	<p>Organisation profile and proven project evaluation experience of successfully completed projects of this kind and magnitude</p> <p>Source: Exhibit 1 Guideline: Public Sector experience:</p> <ul style="list-style-type: none"> Developed more than 5 similar funding and costing models in the public sector (15 points) Developed between 3 and 5 of similar funding and costing models in the public sector (5 points) Developed 1-2 similar funding and costing models in the public sector (2 points) Provide reference letters for similar projects with contact details of the referees (5 and more reference letters: 5 points) (3 to 4 reference letters: 2 points) and (1 to 2 reference letters: 1 points) 	20
5	<p>Transfer of Skills – A plan detailing approach and steps to transfer skills to staff</p> <p>Source: Exhibit 2 Guideline:</p>	10

No	Element	Weight
	<ul style="list-style-type: none"> Demonstrate an understanding of the approach and the steps to transfer skills to staff for use of the costing model in the Department and the Colleges – (excellent: 10 points) (adequate: 5 points) and (poor: 0 point) 	
	Total	100

PART E – CONDITIONS

1. GENERAL CONDITIONS OF CONTRACT

- 1.1. Any subsequent award/concession made to a prospective bidder in terms of this TOR is conditional on, (among others):
 - 1.1.1. The bidding party accepting the terms and conditions as contained in the General Conditions of Contract as the minimum terms and conditions on which the Department is prepared to enter into a contract with the successful Bidder.
 - 1.1.2. The bidder submitting the General Conditions of Contract to the Department together with its bid, has ensured that the document has duly been signed by an authorised representative on its behalf.

2. SPECIAL CONDITIONS OF CONTRACT

The Department reserves the right to:

- 2.1. Award this tender to any bidder that did not score the highest (cumulative total) number of points and only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000);
- 2.2. Negotiate with one or more preferred bidders identified in the evaluation process, regarding any terms and conditions, including pricing without offering the same opportunity to any other bidder(s) who had not been awarded the status of a preferred bidder;
- 2.3. Accept any part of a tender in lieu of the whole tender;
- 2.4. Carry out at its discretion, site inspections, product evaluations or facilitate explanatory meetings in order to verify the nature and quality of the services offered by the potential bidders, either before, during or subsequent to adjudication of the Bid;
- 2.5. Correct mistakes during any stage of the tender evaluation process which may already have been apparent in the bid documents or subsequently occurred during any stage of the tender evaluation process;
- 2.6. At any stage during the evaluation of bids, cancel and/or terminate the tender process, even subsequent to the tender closing date and/or after presentations by selected bidders have been made, and/or after tenders have been evaluated and/or after the preferred bidders have as such been notified of their status; and
- 2.7. Award the tender to multiple bidders based either on organisational capacity, specialisation and size, as well as geographic considerations.

3. GOVERNING LAW

- 3.1. South African law will in its full extent govern the Application parameters of this bid and the bid response process.
- 3.2. The bidder agrees to submit to the exclusive jurisdiction of the South African court system in any dispute of any kind that may arise out of- or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

4. DECLARATION

Bidders as part of their respective technical responses, are required to declare the following and confirm that they will:

- 4.1. At all times for the duration of the tender, act honestly, fairly and with due skill, care and diligence in the best interest of the Department;
- 4.2. Manage, effectively utilise and apply the resources, procedures and appropriate technological systems to ensure the proper performance of the services for the duration of the tender;
- 4.3. Act with circumspection and treat the Department fairly in all situations where conflicting interests may become apparent;
- 4.4. Comply with all applicable statutory or common law requirements related to the conduct of its business;
- 4.5. Make adequate disclosures regarding relevant and material information, including the disclosure of actual or potential interests the company may acquire, in relation to its dealings with the Department;
- 4.6. Avoid any form or instance of fraudulent and misleading advertising, canvassing and marketing for the duration of the tender;
- 4.7. Conduct business activities transparently and consistently uphold the interests and needs of the Department as a client, before any other consideration; and
- 4.8. Ensure that for the duration of the tender no information acquired from the Department will be utilised and/or disclosed to any third party/ies unless written consent from the Department has been obtained to do so.

5. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

- 5.1. The Department reserves the right to disqualify any potential bidder who either itself, or through any of its members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in

the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of the Department or any other Department organ or entity and whether from the Republic of South Africa or otherwise ("Department "):

- 5.1.1. Engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- 5.1.2. Seeks any assistance, other than assistance officially provided by a Department, from any employee, advisor or other representative of a Department in order to obtain any unlawful advantage in relation to the procurement or services provided or to be provided to the Department;
- 5.1.3. Makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Department's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Department;
- 5.1.4. Accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Department;
- 5.1.5. Pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the awarding of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to the Department;
- 5.1.6. Has in the past engaged in any matter referred to above; or
- 5.1.7. Has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such a bidder, member or director's name(s) not specifically appearing on the List of Tender Defaulters kept at National Treasury.

6. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- 6.1. The bidder should note that the terms of its tender will be incorporated in the proposed contract by reference and that the Department relies upon the bidder's tender as a material representation in making an award to a successful bidder and in concluding an agreement with said bidder.
- 6.2. It follows therefore that misrepresentations in a tender may give rise to service termination and a claim by the Department against the bidder notwithstanding the conclusion of the Service Level Agreement between the Department and the bidder for the provision of the service(s) in question. In the event of a conflict between the bidder's

proposal and the Service Level Agreement concluded between the parties, the contents of the Service Level Agreement will prevail.

7. PREPARATION COSTS

- 7.1. The Bidder will bear all its costs in preparing, submitting and presenting any response or tender to this bid and all other costs incurred by it throughout the bidding process.
- 7.2. Furthermore, no statement in this bid will be construed as placing the Department, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their responses to this bid.

8. INDEMNITY

- 8.1. If a bidder breaches the conditions of this bid and as a result of that breach, the Department incurs costs or damages (including, without limitation, the cost(s) of any investigations, procedural impairment, repetition of all- or any part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), the bidder then indemnifies and holds the Department harmless from any and all such costs which the Department may incur and for any damages or losses the Department may suffer.

9. PRECEDENCE

- 9.1. This document will prevail over any information provided during any stage whether oral, electronically or written, unless such written information provided, expressly amends this document by reference.

10. LIMITATION OF LIABILITY

- 10.1. A bidder participates in this bid process entirely at its own risk and cost. The Department shall not be liable to compensate a bidder on any grounds whatsoever, for any costs incurred or any damages suffered as a result of the Bidder's participation in this bidding process.

11. TAX COMPLIANCE

- 11.1. No tender shall be awarded to any bidder which is not tax compliant. The Department reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax

compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to the Department, or whose verification against the Central Supplier Database (CSD) proves non-compliant.

- 11.2. The Department further reserves the right to cancel a contract with a successful bidder in the event that such a bidder does not remain tax compliant for the full term of the contract.

12. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

- 12.1. No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters maintained by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers.
- 12.2. The Department reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another organ of state.

13. CONFIDENTIALITY

- 13.1. Except as may be required by the operation of law, by a court or by any regulatory authority having appropriate jurisdiction, no information contained in- or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with the Department's examination and evaluation of a tender.
- 13.2. No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronically, or by way of photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a tender. This bid and any other documents supplied by the Department remain proprietary to the Department and must be promptly returned to the Department upon request, together with all copies, electronic versions, excerpts or summaries thereof or work as a consequence derived there from.
- 13.3. Throughout this bid process and thereafter, bidders must secure the Department's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

14. PROPRIETARY INFORMATION OF THE DEPARTMENT

- 14.1. Bidders will declare in their respective bid cover letters that they did not have access to any departmental proprietary information, or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

15. COPYRIGHT AND ALL OTHER INTELLECTUAL PROPERTY RIGHTS

- 15.1. **All copyright and all other intellectual property rights in respect of any documents and materials (works) developed by the service provider during this project, shall vest in the Department.**
- 15.2. The Department will have the right to release the works under an appropriate copyright license, including an open license that will allow any individual, official, company, agency or organisation to use or modify the works for any purpose as stated in the open licence.

16. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

- 16.1. A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid.
- 16.2. In the event that the Department allows a bidder to make use of sub-contractors, the actions and activities of such sub-contractors will at all times remain the responsibility of the bidder and the Department will not under any circumstances, be liable for any losses or damages incurred by or caused by such sub-contractors.

17. SERVICE LEVEL AGREEMENT

- 17.1. Subsequent to the Department's decision on awarding the tender the successful bidder **may be required to sign a Service Level Agreement** aimed at regulating the specific terms and conditions applicable to the services required by the Department and as far as possible.
- 17.2. The Department reserves the right to revise and amend any part of the proposed Service Level Indicators during the course of contract with a bidder.
- 17.3. The Department reserves the right to accept or reject additional service proposals, proposed by a successful bidder.

18. PRICING

- 18.1. The price quoted must be a fixed price for the duration of the contract and must include all related costs (travel, accommodation, equipment and data communication).
- 18.2. **Price must be VAT inclusive and quoted in South African Rand.**
- 18.3. Costing should be aligned with project activities / project phases.
- 18.4. Details of the **cost/fee breakdown for all the services to be rendered** must be submitted in a sealed envelope with the rest of the documentation.

19. OTHER IMPORTANT MATTERS TO NOTE

- 19.1. The Department reserves the right to conduct background/probity check on key management of the bidder.
- 19.2. The Department reserves the right to conduct due diligence exercises as part of evaluating the implementing capacity of the bidder.
- 19.3. The shortlisted bidders may be called to present to the evaluation committee before a final selection is made.
- 19.4. The Department will not be liable to reimburse any costs incurred by the bidder during this tender process.
- 19.5. Bidders must identify and disclose any conflict or perceived conflict of interest caused by current assignments, relationships or other dealings, and indicate how such conflicts would be addressed.
- 19.6. Only one proposal per bidder can be submitted and must indicate a (period) implementation.

PART F – MONITORING AND REPORTING

1. MONITORING

- a. All monitoring of the project will be conducted by the Directorate: Budget Planning and Management.
- b. A Project Management Team will be established to facilitate the smooth implementation of the project and to ensure that the objectives of the project are met. The Project Management Team will comprise officials from the Department, and the service provider. Meetings will be arranged as per approved project plan.

2. REPORTING

- a. The service provider will report to the Director: Budget Planning and Management (or his/her delegate) and submit work-in progress reports by email to the Office of the Director: Budget Planning and Management by close of business every second Friday.
- b. For each deliverable, as identified in Part A – Information on the Tender, paragraph 4, the service provider will submit progress reports to the Department in line with approved timeframes in the project plan. The reports should be in MS Word and submitted electronically to the Director: Budget Planning and Management.
- c. In addition to the above and in conjunction with deliverables submitted, progress report meetings will be arranged with the SP.

3. LANGUAGE

- a. All correspondence including reports must be written in English.

4. SUBMISSIONS/COMMENTS TIMING

- a. The submission of the project implementation plan, and project charter shall be submitted to the Director: Budget Planning and Management within 10 days after the commencement of the project for approval by the Department.
- b. Other reports shall be submitted as per the agreed project implementation plan.
- c. The Department, shall within 15 days of receipt of deliverables, notify the service provider/consultant/lead consultant/team leader of the approval or not of the deliverable.
- d. The Department shall, within 30 days of receipt of the final report and operational manual notify the service provider/consultant/lead consultant/team leader of its decision concerning the final report. If the Department does not give any comments on the final

report within such time limit of 30 days, the final report shall be deemed to have been approved by the Department if they do not expressly inform the service provider/consultant/lead consultant/team leader of any comments or delays. New timeframes will then be negotiated between the service provider/consultant/lead consultant/team leader and the Director: Budget Planning and Management.

