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## TERMS OF REFERENCE

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### APPOINTMENT OF A SERVICE PROVIDER FOR THE DEVELOPMENT OF A STAKEHOLDER AND INTERGOVERNMENTAL STRATEGY AND PROCESS REVIEW

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<b>RFP Number</b>	<b>RFQ/JHB/2022/030</b>
<b>Closing Date for submissions</b>	<b>03 APRIL 2023</b>
<b>Closing time</b>	<b>11H00</b>
<b>Briefing Session</b>	<b>No</b>
<b>Briefing Session Compulsory</b>	<b>No</b>
<b>Briefing Session Date</b>	<b>None</b>

## **Documents in this Bid Pack**

**Bidders must ensure that they receive all the pages in this document, which include the following:**

### **SECTION A**

1. Background
2. Functions of the HDA
3. Purpose of the Project
4. Scope of Work
5. Deliverables
6. Skills, knowledge and experience required.
7. General provisions and requirements
  - 7.1 Duration of Contract
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8. Evaluation Criteria

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## SECTION A

### 1. Background

The Housing Development Agency (HDA) is a national public sector development agency that acquires, prepares as well as develop the land and project manage the development of housing and human settlements. We carry out our activities in partnership with a range of stakeholders including national, provincial, municipalities as well as with communities, developers, financiers and other affected parties. Established in 2009, the Agency is created in terms of an Act of Parliament in 2008 and is accountable through its board to the Minister of Human Settlements.

The objects of the Agency are to;

- (a) Identify, acquire, hold, develop and release state, communal and privately owned land for residential and community purposes and for the creation of sustainable human settlement;
- (b) Project manage housing development services for the purposes of the creation of sustainable human settlements;
- (c) Ensure and monitor that there is centrally coordinated planning and budgeting of all infrastructure required for housing development; and
- (d) Monitor the provision of all Infrastructure required for housing development.

### 2. Functions of the HDA

Section 7 (1) of the HDA Act outlines the HDA's functions. It stipulates inter alia that the HDA must:

- (a) Develop a development plan to be approved by the Minister in consultation with the relevant authorities in the provinces and municipalities
- (b) Develop strategic plans with regard to the identification and acquisition of state, privately and communally owned land that is suitable for residential and community development
- (c) Enhance the capacity of organs of state, including skills transfer, to enable them to meet the demand for housing delivery
- (d) Ensure that there is collaboration and intergovernmental and integrated alignment for housing development services

- (e) Assist organs of state with the upgrading of informal settlements
- (f) Assist organs of state in respect of emergency housing solutions

The HDA carries out its activities in partnership with a range of stakeholders including national, provincial and local government and municipalities, as well as with communities, developers, financiers and other affected parties.

### **3. Purpose of this Project**

The HDA is faced with rapid changes and shifts in the stakeholder and inter-governmental space within which it exists and operates. Furthermore, potential development partners seek certainty of development outcomes and returns when entering into partnerships with the agency. Accordingly, the agency needs to adapt to, and navigate, the intergovernmental space swiftly in order to sustain its ongoing operations and execute its functions and mandate.

This also requires the agency to reposition itself and possibly its operating assumptions when considering development partnerships. The Agency therefore requires to review its current approach to, and participation in, inter-governmental spaces and partnerships as well as adopt a new generation Strategy geared to position and enable the Agency to achieve its set Strategic Objectives

During an intensive participatory strategy review and planning process held in August 2022 the HDA re-confirmed its decision to make the strategic shift to playing the role of a public sector property developer to make a meaningful tangible contribution to the human settlement priorities of government. Within this context, ensuing discussions focussed on the niche focus areas, key functions, impact, outcomes and outputs to achieve the HDA's Vision of being "The public sector Developer of Choice providing integrated, sustainable human settlements and security of tenure. Among other things is the recognition of the following:

- HDA must be able to act as the "principal" in developments where it would typically acquire, develop and release land, on its own or in partnership with the private sector, for own profit, which could be reapplied towards further developments.
- HDA must be able to strengthen its own balance sheet.
- HDA must pro-actively act as catalyst of developments.

- HDA must be able to generate income from project management fees.
- HDA will share project and financial risk with its strategic delivery partners.
- Must be able to competently implement all the four objects of the HDA as articulated in the HDA Act no 23 of 2008
- HDA must leverage on the significant assets it already has, namely: its significant skills base, experience, project database, land database and market intelligence (both from a public and private sector side).

The Strategic Plan of the HDA outlines the key enablers towards becoming the Public Sector Developer of Choice. The enablers must be supported by key actions and monitored closely.

#### **4. Scope of Work**

The HDA has noted rapid changes in inter-governmental spaces and development partners' expectations, all of which present a new and different frontier of opportunities for the agency. These circumstances resulted in a need for the agency to review its approach and adopt an updated strategy.

Addressing these intergovernmental dynamics and development partnership expectations is critical to ensuring that the HDA is able to fulfil its functions and mandate as well as provide support and services to its client base as required.

The HDA is seeking a highly experienced, qualified and expert service provider to undertake a review of the agency's current approaches to intergovernmental relations and development partnerships and thereafter develop a coherent Strategy and plan for the agency. It is envisaged that the project should be completed within 6 months

The scope of work entails:

- i. Considering the national intergovernmental and broader stakeholders to the mandate,
- ii. The fiscal considerations in attending to the work of the agency
- iii. Available platforms to executing the work of the agency
- iv. The legislative and general frameworks to the practice of intergovernmental relations and stakeholder management mandate

- v. the proposed approach to reviewing the agency's current practices and conduct in intergovernmental relations and development partnerships
- vi. Mapping of key intergovernmental relational priorities
- vii. Specifying primary development partners and interests therein
- viii. Collection of primary data or case studies and analysis thereof
- ix. Compilation of a coherent strategy and plan to initiate, manage and assess strategic developmental relations going forward
- x. Provide a project plan and costing.

## **5. Deliverables**

- xi. Stakeholder Mapping
- xii. IGR and Stakeholder Management Strategy and Engagement Plan
- xiii. Stakeholder and Intergovernmental Relations Standard Operating Procedures
- xiv. Revised MTOP and IP and other partnership agreements instruments

## **6. Skills, knowledge and experience required**

The HDA needs to be satisfied that the service provider selected has the necessary experience to undertake this assignment. Thus, service provider should have the following credentials:

- Strong written and verbal communication skills with the ability to effectively organize and communicate complex information in a clear and concise manner.
- Excellent research, analytic and writing skills.
- General understanding of the intergovernmental relations and stakeholder management principles and practice
- Sound understanding of the HDA's mandate and the national policies and legislation that inform this mandate.

- Extensive understanding of the human settlements sector and its related policies and legislation.
- Extensive understanding of funding instruments in the Human Settlement Sector and Infrastructure Development
- Strong Project Management Skills
- Requisite qualifications to perform the task

## **7. General Provisions and Requirements**

### **7.1. Duration of Contract**

The duration of the contract is for (6) months from the date of appointment.

### **7.2. The Proposal**

The proposal of Service Provider must include:

- I. The proposed methodology and approach which would be used in the completion of this task.
- II. A High-level Project Plan indicating project phases (if any), indicating milestones, time-frames and budget.
- III. Names and abbreviated Curriculum Vitae (CV's) of the consultants assigned to the project indicating the knowledge, skills and experience required as reflected in Section 6 above.
- IV. A summary list of similar previous projects undertaken.
- V. The service provider's expertise based on the projects that the service provider has previously undertaken;
- VI. Dependencies or the aspects of the project that the service provider would rely on the HDA to provide support.
- VII. An explanation of how skills will be transferred to HDA staff.

Additional documentation outlined below should be included in the proposal;

a. **Annexure One:** Company Profile

b. **Annexure Two:** Three reference letters of previous clients that the service provider has worked with.

## 8. Evaluation Criteria

A Two-phase approach will be used for the evaluation of proposals received as follows:

**Phase One evaluation:** Proposals will first be evaluated on their technical ability to perform the task as per the technical response/proposal.

Any proposals scoring below 70% of the points noted in the table below will be disqualified for the second evaluation.

**Phase Two evaluation:** The second evaluation of technically competent proposals that passed the phase one evaluation will be evaluated against Price and Specific Goals using an 80/20 Price/Specific Goals formula. The HDI proposal will be evaluated as per PPPFA regulations.

**Table 1: technical evaluation criteria**

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Service providers should provide a company profile demonstrating relevant experience and expertise	Company profile submitted demonstrates:  <b>Company Experience (10)</b> <ul style="list-style-type: none"> <li>▪ five (5) years' experience (5)</li> <li>▪ 6 -10 years' experience (7)</li> <li>▪ 10 years' experience and more (10)</li> </ul> <b>Delivery, of similar projects (5)</b>	<b>15</b>
Key personnel	Demonstrable skills and capacity, level of relevant knowledge and experience in related field/s.  <b>Minimum requirements:</b>	<b>30</b>



	<ol style="list-style-type: none"> <li>1. IGR practice &amp; Development of partnerships(10)</li> <li>2. Human Settlements Policy and Programme management (10)</li> <li>3. Project and Development packaging and delivery (10)</li> </ol>	
The above-mentioned experience must be supported by three (3) contactable references	<p>5 reference letters or appointment letters for the company signed by a duly authorised official, with contact details (phone and email) as follows:</p> <p>0-letter = 0 points                      1-letter = 3 points                      2-letters = 5 points                      3-letters = 10 points</p>	<b>10</b>
Approach, Methodology, Process and project plan	<ol style="list-style-type: none"> <li>1. Understanding of HDA role in the Human Settlements Sector specifically IGR and Stakeholder Management = (10 points)</li> <li>2. Methodology based on established norms in the human settlements sector= (10 points)</li> <li>3. Project plan that is realistic and relevant = (10 points)</li> <li>4. Process that is context-specific = 10 (points)</li> </ol>	<b>40</b>
Skills transfer plan to HDA staff	The proposal should include a clear plan with milestones on how skills to do this work with the transferred to HDA staff including milestones and key performance indicators	<b>5</b>
<b>TOTAL</b>		<b>100</b>

The following criteria will be used for point's allocation for price and Specific Goals compliance on an 80/20-point system: -

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed Budget Breakdown	80
Specific goal	Specific goals	20
<b>Total</b>		<b>100</b>

**Price Evaluation:** The evaluation for price will be done based on the following formula:

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$P_s = 80 \left( 1 + \frac{P_t - P_{\max}}{P_{\max}} \right) \quad \text{or} \quad P_s = 90 \left( 1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$$

Where

- $P_s$  = Points scored for price of tender under consideration
- $P_t$  = Price of tender under consideration
- $P_{\max}$  = Price of highest acceptable tender

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

Where

- $P_s$  = Points scored for price of tender under consideration
- $P_t$  = Rand value of offer tender consideration
- $P_{\min}$  = Rand value of lowest acceptable tender

**Specific Goals Evaluation:** A bidder must submit proof or documentation to claim points for specific goals. A bidder failing to submit proof or documentation to claim points for specific goals will be interpreted to mean that preference points for specific goals are not claimed. The bidder may not be disqualified but will score 0 points out of 20 for specific goals.

## 9. POINTS AWARDED FOR SPECIFIC GOALS

9.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

9.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 3: Specific goals for the tender and points claimed are indicated per the table below.**

***(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.***

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The Specific Goals allocated points in terms of this tender	Number of Points	Proof / Documentation required to Claim Points for Specific Goals
<b><i>Size of Company (Maximum points = 7 points)</i></b>		
• EME	7	CSD and Sworn Affidavit
• QSE	5	CSD and Sworn Affidavit
• GE or others	3	Letter from Auditors or Authorised person confirming annual turn over
<b><i>Black Women Owned (Maximum points = 5 points)</i></b>		
75% - 100%	5	CSD and Sworn Affidavit
51% - 74.99 -	3	CSD and Sworn Affidavit
Below 51%	1	CSD and Sworn Affidavit
<b><i>Historically Disadvantaged South Africans* (maximum Points = 8)</i></b>		
<b><i>Youth (Maximum points 3)</i></b>	3	CSD
<b><i>HDSA</i></b>	2	CSD and Sworn Affidavit
<b><i>Disabled People</i></b>	3	CSD and Sworn Affidavit

\*Historically disadvantaged South Africans refers to any person, category of persons, or communities disadvantaged by unfair discrimination before the constitution of the Republic of SA, 1993 (ACT No. 2000 of 1993 come into operations.



The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (Tenderer to indicate by a cross or a tick against the selected specific goals)
<b>Size of Company (7)</b>		
• EME	7	
• QSE	5	
• GE	3	
<b>Black women (5)</b>		
75% - 100%	5	
51% - 74.99%	3	
Below 51%	1	
<b>Historically Disadvantaged South Africans* (maximum Points = 8)</b>		
Youth	3	
HDSA	2	
Disabled	3	

**NB:** Please note that the bidder is required to indicate the number of points claimed on the above table.

The proposal will be evaluated as per PPPFA regulations.

## SECTION B

### 9. General Conditions and instructions

- 9.1. It is important to note that the successful bidder will work under the supervision of an HDA representative, abide by HDA's Code of Conduct, and other organisational guidelines.
- 9.2. The following documents and forms must be submitted:
- 9.2.1. CSD report.
- 9.2.2. SBD Forms (SBD4, SBD6.1, SBD8 and SBD9) obtainable from HDA Website: [www.thehda.co.za/procurement](http://www.thehda.co.za/procurement). Under the compliance checklist.
- 9.3. Queries for further information regarding supply chain matters and Technical queries can be sent via email to: [Mxolisi.zondo@thehda.co.za](mailto:Mxolisi.zondo@thehda.co.za) and at Tel: 011 544 1000.
- 9.4. Bids must be deposited in the bid box situated at the following street address:

**Attention:**

The Procurement Specialist  
The Housing Development Agency  
1 Maxwell Drive, Megawatt Park, Sunninghill, Johannesburg, 2175  
Tel: 011 544 1000/ 011 274 2970

- 9.5. Faxed and posted bids will not be accepted.
- 9.6. Bidders must ensure that bids are delivered timeously to the correct address. If a bid is late, it will not be accepted for consideration. A late bid is one arriving one second after 11h00 on the closing date, or any time thereafter.
- 9.7. Bids can be delivered between 08h30 and 16h30, Mondays to Friday, before the closing date and between 08h30 and 11h00 on the closing date.

## **10. Terms and Conditions.**

- 10.1. HDA undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.
- 10.2. No payment will be made where there is an outstanding information/work by the service provider/s.
- 10.3. A dedicated HDA account manager must be allocated with a substitute should there be a need.
- 10.4. All work undertaken must be handed over to the HDA in all available and possible formats 2 weeks before the contract ends.
- 10.5. Pricing should be valid for a period of three months after the closing date.
- 10.6. The selection of the qualifying proposal will be at the HDA's sole discretion. The HDA does not bind itself to accept any bid/proposal, and the HDA reserves the right not to appoint the service provider.