



TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO FACILITATE ITS STRATEGIC PLANNING SESSION AND ASSIST THE HOUSING DEVELOPMENT AGENCY TO DEVELOP THE ANNUAL PERFORMANCE PLAN 2023/24 FY AND THE REVISED DRAFT STRATEGIC PLAN FOR 2023/24- 2026/27 FY

RFP Number	RFP/JHB/2022/003
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Briefing Session	No
Briefing Session Compulsory	No
Briefing Session Date	None



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
 - 7.2 The Proposal
8. Evaluation Criteria

SECTION B

9. General conditions and instructions
10. Terms and conditions

SECTION A

1. Background

The Housing Development Agency (HDA) is a national public sector development agency that acquires and prepares land as well as develops 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 and local government and municipalities, as well as with communities, developers, financiers and other affected parties. Established in 2009, the Agency is established by an Act of Parliament in 2008 and is accountable through its board to the Minister of Human Settlements.

The Housing Development Agency Act provides for the establishment of the HDA and sets out the objects, roles, powers and duties of the Agency. In the preamble the Act identifies the following key factors as the reason for establishing the HDA, inter alia:

- A significant factor in the lack of adequate delivery of housing to low-income earners has been the delay in the identification, acquisition, assembly and release of state-owned and private land.
- There is a need therefore to establish the Housing Development Agency which must fast-track the processes of housing development.
- It is further acknowledged that there are serious challenges that hinder the realisation of housing for all and that there is a need to accelerate the delivery of housing. There is an urgent need for government to address the increasing backlog in respect of housing delivery together with a critical shortage of skills and capacity to provide housing in some provinces and municipalities.

The Housing Development Agency Act No. 23 of 2008 outlines the purpose or object of the HDA as being 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 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. It performs the following key functions:

- Project Conceptualisation, Planning and Design,
- Land Acquisition, Assembly, Rezoning and Approvals,
- Project Packaging and Capital Raising,
- Project Implementation and Procurement inclusive of strategic IGR and private sector partnerships,
- Monitoring, evaluating, reporting and accounting, and
- Property Management

3. Purpose of this Project

During the 2020/2021 Financial Year, 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 the government. In executing its role as a public sector developer, the HDA must ensure alignment between the HDA Act, its mandate, Strategy and Annual Performance Plan. Furthermore, it must make sure that it attains its vision of being “The public sector Developer of Choice providing integrated, sustainable human settlements and security of tenure.

To achieve the above, the HDA must ensure that the strategy and operating model is underpinned by the following key principles:

- 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 its own profit, which could be reapplied towards further developments.
- HDA must be able to strengthen its balance sheet.
- HDA must pro-actively act as a catalyst of developments.
- HDA must be able to generate income from project management fees.
- HDA will share project and financial risks with its strategic delivery partners.
- HDA must leverage 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).

Furthermore, the HDA must continue to provide project management and project implementation support to organs of State across all spheres of government and the human settlements delivery chain.

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. The APP is developed based on templates and formats prescribed by the Department of Performance Monitoring and Evaluation. It, in general, reflects the HDA's performance plan for a particular financial year, setting out amongst others:

- the policy and legislative landscape within which the HDA operates;
- the political and social environment within which the HDA operates;
- the challenges that usually impact on performance;
- the policy priorities for a particular period, which the HDA is obliged to focus on;
- the programmes through which the policy priorities will be implemented;



- the objectives of each programme;
- the targets set for each programme per quarter;
- the performance indicators for each programme;
- the organisational structure;
- the relationship with stakeholders; and
- the key drivers for performance in each program etc

4. Scope of Work

The scope of work shall include:

- 4.1 Facilitate the Strategic Planning Session including all the planning before the Strategic Planning Session
- 4.2 Assist the HDA to develop a Strategic Plan and Annual Performance Plan that reflects its full mandate (both primary and secondary mandate)
- 4.3 Develop a Draft Annual Performance Plan (APP) 2023/24
- 4.4 Develop a Revised Draft Strategic Plan (SP) 2022/23- 2025/27
- 4.5 Develop a Final Annual Performance Plan 2023/24
- 4.6 Develop a Final Strategic Plan 2023-2026/27
- 4.7 Undertake root cause analysis of the causes of non-performance
- 4.8 Aligning all programmes with the MTSF priorities set out for the DHS;
- 4.9 Ensure that the APP and SP are developed in line with published National Treasury and DPME requirements
- 4.10 Attend to any other matter necessary to achieve the finalisation of the APP and the Strategy of the HAD
- 4.11 Ability to assist the HDA in operationalising its strategic mandate of a property developer
- 4.12 Understanding of the Built Environment and Infrastructure Development Specific to the Human Settlement Sector
- 4.13 A good understanding of the role of property developers in the provision of human settlements

5. Deliverables

- 5.1 Facilitation of 2-3 day strategic planning session
- 5.2 Strategic Planning Session report highlighting milestones towards the activation of the developer role
- 5.3 Draft Annual Performance Plan (APP) 2022/23 line with applicable prescripts
- 5.4 Draft revised Strategic Plan (SP)2023-2027
- 5.5 Final APP 2022/24
- 5.6 Final SP 2023/2027
- 5.7 Root cause analysis for poor performance and intervention plan

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, the service provider should have the following credentials:

- 6.1 A thorough understanding of the Human Settlements Sector and its programmes
- 6.2 A thorough understanding of the functions of a property developer with more focus on the public sector
- 6.3 Understanding of the funding instruments available for property developers
- 6.4 Experience in strategic planning within the public sector
- 6.5 Experience in drafting Strategic Plans and Annual Performance Plans within the public sector
- 6.6 Project management experience
- 6.7 Experience in providing strategic advice to clients within the human settlements sector
- 6.8 An understanding of public policy, specifically policies that affect the mandate of the HDA

7. General Provisions and Requirements

7.1. Duration of Contract

The duration of the contract is for (12) months from the date of appointment.

7.2. The Proposal

The proposal of the Service Provider must include:

- 7.2.1 The proposed methodology and approach would be used in the completion of this task.
- 7.2.2 A High-level Project Plan indicating project phases (if any), indicating milestones, time-frames and budget.
- 7.2.3 Names and abbreviated Curriculum Vitae (CVs) of the consultants assigned to the project indicate the knowledge, skills and experience required as reflected in Section 6 above.
- 7.2.4 A company profile demonstrating relevance to the project scope
- 7.2.5 A summary list of similar previous projects undertaken.
- 7.2.6 The service provider's expertise is based on the projects that the service provider has previously undertaken;
- 7.2.7 Dependencies or the aspects of the project that the service provider would rely on the HDA to provide support.
- 7.2.8 An explanation of how skills will be transferred to HDA staff.

Additional documentation outlined below should be included in the proposal;

- a. **Annexure One:** A Company Profile
- b. **Annexure Two:** 5 reference letters of previous clients that the service provider has worked with demonstrating relevance to the scope of work

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 B-BBEE using an 80/20 Price/B-BBEE formula. The HDI proposal will be evaluated as per PPPFA regulations.

Table 1: technical evaluation criteria

PHASE ONE EVALUATION CRITERIA		
CRITERIA	RATING	WEIGHTING/ POINTS
	Lead Company profile (Attach Organogram)	
Related work experience	5 reference letters and or appointment letters for the company, demonstrating relevance to the scope of work, signed by a duly authorised official, with contact details (phone and email) as follows: 0-letter = 0 points 1-letter = 5 points 2-letters = 10 points 3-letters = 15 points 4-letters = 20 points 5 or letters = 25 points	25
CVs of team members proposed to do the work	1. Project Director 1.1 Experience in role 15 points 15 years and above 15 points 10 years 10 points 5 year 5 point	25



PHASE ONE EVALUATION CRITERIA		
CRITERIA	RATING	WEIGHTING/ POINTS
	2. Senior Consultant 2.1. Experience in role 7 points 10 years 7 points 8 years 5 points 5 years 3 points 3. Consultant 3.1. Experience in role 3 points 5 years 3 points 3 years 2 points 1 year 1 point	
Approach and methodology	Demonstrates a comprehensive, detailed, and in-depth knowledge base and strategy development methods. The ability to creatively integrate the knowledge of these methods into the HDA organizational environment. The proposal should include:	25
	<ul style="list-style-type: none"> • A well-defined, clearly articulated work plan • Clear allocation of resources and tasks • Project deliverables • Well-matched allocation of resources and tasks to project activities , project scope of work and • Clear articulation of project deliverables (25 points) 	
Understanding of the HDA and the human settlement sector	Demonstrate an understanding of the sector and the role that the HDA plays in built environment and infrastructure development, particularly in the human settlements sector	10
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	5
Total		100

The following criteria will be used for point allocation for price and B-BBEE compliance on an 80/20-point system: -



CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
BBBEE (Status Level Verification Certificate)	BBBEE Level Contributor	20
TOTAL		100

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, and 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. Under the compliance checklist.
- 9.2.3. Valid and Original or original Certified B-BBEE Status Level Verification Certificates issued by the following agencies SANAS, IRBA, or CCA.
- 9.3. Queries for further information regarding **supply chain matters** and queries can be sent via email to: Njabulo.Hlongwane@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:

Procurement Officer
Block B,
Megawatt Park
1 Maxwell Drive,
Sunninghill,
Johannesburg

- 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 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 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.