



Affordable Reliable Justice

Expression of Interest
NOVEMBER 2016

OFFICE OF THE CHIEF OMBUD

EXPRESSION OF INTEREST

Responsible Position: Chief Financial Officer

Approved by: Chief Ombud

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1. Purpose

- 1.1. This document covers the process for the Expression of Interest (EOI) that is sought from the marketplace.
- 1.2. All references to monetary amounts in this document are on a VAT inclusive basis.

2. Objectives

This Expression of Interest (EOI) is a formal procurement process. A record of the decisions made under this process will be kept for reasons of probity, and to ensure that the Community Schemes Ombud Service is not exposed to unnecessary litigation.

3. EOI Process

- 3.1. This Expression of Interest (EOI) is an invitation process involving the marketplace, to provide information to the Community Schemes Ombud Service. This process may in turn lead:-
 - i. Directly to negotiation with one or several preferred suppliers (Requests for Quotations . RFQ). This is a closed tender process involving only service providers that have responded.
OR
 - ii. The information submitted from the marketplace to the CSOS may be used in a further tender process (Request for Proposals . RFP). An open tender process will be used.
- 3.2. In either case, this EOI is prepared as a preliminary stage. The list of potential suppliers who have submitted expressions of interest may be used as the basis for conducting a select tender process.
- 3.3. CSOS reserves the right to; cancel or reject any quote and not to award the EOI to the lowest bidder or award parts of the EOI to different bidders, or not to award the EOI at all.

4. Introduction

The Community Schemes Ombud Service (CSOS) was established in terms of the Community Scheme Ombud Service Act, 2011 [Act 9 of 2011) to regulate the conduct of parties within community schemes and to ensure their good governance. The CSOS is classified as a Schedule 3A public entity in terms of the Public Finance Management Act and its executive authority is vested in the Minister of Human Settlements.

In terms of section 38 of the CSOS Act, any person in a community scheme may make an application to the CSOS, if such a person is a party to or is materially affected by a dispute, for mediation and adjudication. The CSOS operates in a highly complex environment that has never been regulated before and seeks to bring a regime of administrative justice and an alternative dispute resolution service to all South Africans living in community schemes.

CSOS Legislative Mandate & Policy Framework: -

- Constitution of the Republic of South Africa (Act 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999)
- Community Schemes Ombud Services Act (Act No 9 OF 2011)



- Estate Agency Affairs Board Act 1976
- Sectional Titles Act of 1986
- Sectional Titles Management Act of 2011
- Housing Act (Act No. 107 of 1997)
- Preferential Procurement Policy Framework Act, 2011

The CSOS was established to regulate the conduct of parties within community schemes and to ensure their good governance. The CSOS vision is to establish a world class dispute resolution service. The CSOS provides an alternative, independent and impartial service for the resolution of unresolved disputes in community schemes. This method of dispute resolution is outside of the courts. It is a preferable method as it is more cost effective and a speedier way of resolving disputes. The alternative dispute resolution methods involve conciliation and adjudication.

- Conciliation refers to the process where the parties use the services of an independent conciliator to be appointed by the Ombud to assist the parties to arrive at a mutually agreeable solution.
- Adjudication refers to the process where an independent adjudicator, appointed by the Ombud, or selected by both parties from the list provided by the Ombud, determines how the dispute is to be resolved and makes a binding decision or order.

CSOS Mandate

- To develop and provide a dispute resolution service in terms of the Act.
- To provide training for Conciliators, Adjudicators and other Employees of the Service.
- To Regulate, Monitor and Control the quality of all Sectional Title Schemes governance documentation and such other scheme governance documentation as may be determined by the Minister.
- To take custody of, preserve and provide access electronically or by other means to Sectional Title Schemes governance documentation and such other Scheme governance documents as may be determined by the Minister.
- To manage the Sectional Titles Management Act as provided by the relevant Act.

In terms of the Act the term ~~%o~~community scheme+means any scheme or arrangement in terms of which there is shared use of and responsibility for parts of land and buildings, including but not limited to: -

- A sectional titles development scheme.
- A share block company.
- A home or property ownersqassociation.
- A housing scheme for retired persons.
- A housing co-operative as contemplated in the South African Co-operatives Act, 2005 (Act 14 of 2005).

In terms of section 39 of the Act, the CSOS is mandated to deal with the following category of disputes that arise in community schemes: -

- Financial issues . e.g. incorrect or unreasonable levies.
- Behavioral issues . e.g. noise, parking issues.



- Governance issues . e.g. rules and regulations.
- Meetings . in respect of the conduct of AGMs.
- Management services - code of conduct.
- Private areas and common areas - e.g. repairs and maintenance.
- General and other Issues . e.g. lack of access to information.

5. Scope of Work

5.1. AIM

Due to a critical shortage of funds, the Community Schemes Ombud Service is unable to adequately gear-up for operations. The aim is to request the marketplace to express their interest in funding and performing the following functions for the Community Schemes Ombud Service (CSOS).

- To design, develop, populate & verify a CSOS Database with community schemes information via a registration process.
- To develop a levy collection, revenue management and debt collection system together with all other supporting functions.
- To provide suitably qualified and experienced human capital to perform day-to-day business operations.
- To undertake advocacy, consumer-education, awareness and stakeholder management on behalf of CSOS.

5.2. BACKGROUND

Since the proclamation of the Acts and Regulations, all community schemes are required to register with the CSOS. The organisation is mandated to provide a dispute resolution service for community schemes, provide training for conciliators, adjudicators and other employees of the service, regulate, monitor and control the quality of all sectional title schemes governance documentation and to take custody of, preserve and provide public access to scheme governance documentation.

CSOS is ultimately meant to offer a cost effective, efficient service to resolve disputes and cases from sectional title schemes, home-owner association run schemes, share block companies, retirement villages, and housing co-operatives. At its core, CSOS supports the sectional title industry to deal with troublesome cases that they cannot rectify on their own.

The financial stability of CSOS is linked to its ability to collect levies from registered community schemes. CSOS is required to be predominantly funded through a small levy to be added to the overall levies of each community scheme; which is paid over to the CSOS. The CSOS levy is calculated in proportion to each owner's monthly levy payment to the scheme.

Operating without the ability to generate an income is not sustainable and hampers CSOS in meeting its core mandate, hence the need for CSOS to secure investor funding.



5.3. EXISTING INFORMATION SYSTEM

As a start-up, CSOS has embarked on a number of initiatives aimed at enabling business. Currently CSOS utilizes a SAP platform to operate VIP payroll; Finance and HRIMS. Sage Case Ware (CRM) and Document Management System also came on-line in the third-quarter of 2016.

An integrated information technology solution within CSOS is required to drive and consolidate its state of readiness. Such a solution must be truly enterprise, scalable, future proof, cost effective, and conform to open standards.

5.4. DELIVERABLES

CSOS requires an enterprise-wide solution that will address the following needs: -

- Promote good governance of community schemes through accountability, visibility and good governance.
- The implementation, roll-out and management of educational campaigns.
- The implementation, roll-out and management of community schemes communication campaigns.
- The implementation of MOUs with key stakeholders.
- The implementation of organisational systems, controls and measures.
- The implementation of an automated billing and revenue collection system for levies payable by schemes to the Service in terms of section 29 (1) (b) of the Act.
- The implementation of an automated billing and revenue collection system for Applications, Adjudication and other fees payable for the use of the Service in terms of section 29 (1) (d) of the Act.
- The provision of professional services for Alternative Dispute Resolution including, assessments and conciliation.

5.4.1. DATABASE (REGISTRATION SYSTEM)

- i. Gather existing databases from various sources; internal and external.
- ii. Design a database structure (relational database) including all fields needed for the following:
 - A centralised database with its own database management system to be operational throughout SA is required,
 - Registering Community Schemes, and
 - Registering unit information within the schemes (needed for case management, customer relationship management and the Call-center).
- iii. Populating the database.
- iv. Validating schemes information.
- v. Certifying schemes registration (Generating Certificates of Registration).
- vi. Development of a web portal(s) that:
 - Links to the database that would enable CSOS to register any schemes that approach the CSOS (backend access).
 - Allows for schemes to register themselves, with CSOS backend access verification (public facing portal).
 - Integrates with the master database to allow for case management.



- Allows of a secure certificate generating interface within the system with administrative access.
 - The solution must be flexible enough to cater for different internet browsers.
- vii. Integration with the financial system and other existing CSOS systems.
 - viii. Provide storage and hosting services for an application of this magnitude. To cater for the vast volume of transactions and to guarantee 24/7/365 access to the system, CSOS recommends that it be hosted in the cloud.
 - ix. Different user and security profiles have to be created per specific user / Role based access to functions and modules; e.g. capturers, supervisors and individual users.
 - x. Full documentation, training and support (manuals, standard operating procedures and processes) and developing a procedure manual in line with the future business processes.

5.4.2. CASE MANAGEMENT AND MOBILE APPLICATION(S)

The design and development of a Customer relationship modules that can:

- i. Allow for SMS communication with registered schemes and their respective unit owners.
- ii. Allow for Email communication with registered schemes and their respective unit owners.
- iii. Allows for further stakeholder communication in the form of submission of circulars, newsletters and events that the CSOS will be conducting.
- iv. Serves as the overall bi-directional communication tool for stakeholder engagement.
- v. The design and implementation of a Case Management Systems that implements the CSOS Dispute Resolution Model. This module must be able to: -
 - Allow for the creation of a case;
 - Generate unique number per case;
 - Provide for a timeline for the case as the case will be viewed and edited by multiple parties;
 - Allow for the upload of document onto the case;
 - Allow for a role based access onto the case;
 - Allow for full audit trail related to the case; and
 - Be able to cater for the full dispute resolution process of the CSOS as depicted in the CSOS Dispute resolution process.
- vi. To increase the accessibility of the CSOS services, mobile application(s) must be developed that can be utilized on all major platforms (Android, Windows, Apple etc).

5.4.3. LEVY MANAGEMENT / COLLECTIONS INTERPHASE / BILLING ENGINE

- i. Design and develop a collections interface that will be responsible for:
 - Collecting levies from schemes already populated on the CSOS Database,
 - Billing,
 - Statements,
 - Reconciliations with the bank,
 - Debt management reporting, and
 - General Ledger integration reporting.
- ii. The newly developed system must integrate with:
 - Existing financial systems, including with general ledger structures, debtors management and any other activities that need to be reported on by the CSOS Finance business unit.



- The records management system as schemes documentation would be stored here.
- iii. The solution must be able to generate the following reports:
 - Reporting on all financial aspects (incl. statement, income statements, balances etc).
 - Reporting on case management.
 - Reporting on revenue collections relating to schemes.
 - Schemes reporting.
 - Reports must be available in different formats such as lists, maps, graphs, tables, etc. A specialised report generator is needed.
- iv. System Access levels must be clearly defined and agreed upon before commencement.
- v. The solution must accommodate advanced customizable business intelligence and analytics linked to geographical locations (GIS) etc.
- vi. The system solution must provide the highest level of information protection with software that enables replication capabilities, point-in-time recovery features combined with automated application copies for assured recovery, as well as monitoring and alerting for compliance to protection policies.
- vii. The system must have a failover solution and full redundancy.

NOTE: The database, case management & mobile application and levy collection systems must be an enterprise-wide information technology solution that integrates CSOS strategic; operations; reporting; and compliance requirements.

5.4.4. PROVISION OF HUMAN CAPITAL IN ORDER TO FULFIL IMPLEMENTATION NEEDS

As a nascent organisation, CSOS does not have sufficient human resources for implementation. The appointed contractor is required to deliver a combination of temporary and contract staff as CSOS moves to become fully operational.

The categories of human capital required can be classified according to the following table.

Need	Requirement	Description
Provide a dispute resolution service	4 x Adjudicators 10 x Conciliators 1 x Legal Assistant	<ul style="list-style-type: none"> • Conciliation means bringing two opposing sides together to reach a compromise in an attempt to avoid taking a case to trial. • Adjudication is the legal process of resolving a dispute, involving the formal giving or pronouncing of a judgment or determination which is binding on all parties. Arbitration orders are enforceable in Court.
Take custody and control of Community Schemes' governance documentation	6 x Records Administrators	<ul style="list-style-type: none"> • Assist with CSOS records management and compliance with regards to the governance of community schemes. • Access and take-over of governance database / document.
	15 x Data capturers	<ul style="list-style-type: none"> • Assist with setting-up a database and the registration of levies. • Accuracy, integrity and reliability of information / data captured.
Develop and implement revenue collection and management of debtors	1 x Debtors Manager	Billing, Bank system interface management, Bank Reconciliation, Invoice (Account) allocation, Collection of outstanding / overdue amounts, Adjustments, and Account statement update.
	1 x Senior Accountant	Financial Accounting, Financial Reporting, Revenue Assurance, and Treasury functions.
Provide stakeholder training, consumer education and public outreach programmes	1 x Marketing & Communications Specialist	<ul style="list-style-type: none"> • Support external communications and stakeholder engagement. • Implement education and training programmes on CSOS mandate.

Need	Requirement	Description
Ensure that CSOS is an efficient, effective and sustainable organisation	1 x HR Generalist	Assist the HR Manager with a portfolio of HR activities.
	1 x Assistant Board Secretary	Assist the Board Secretary with a portfolio of activities related to the Board and Board Committees. .
TOTAL	41 POSTS	To be offered on a Part Time or Contract basis

- i. The urgent acquisition of suitably qualified and capable human resources is directly related to the success of the organisation. The contractor shall provide the CSOS with names of personnel resources and their detailed Curriculum Vitae\$ to work on the project or an appropriate model to source the personnel required.
- ii. Costing for the human capital resources identified in the table above must be done on a Total Monthly Cost package.

5.4.5. CREATE AWARENESS OF CSOS AND ENGAGE ALL CSOS STAKEHOLDERS

The provision of consumer education is a key priority area and a critical target for operational readiness. CSOS needs to be more visible and play a more active role in educating consumers and raising awareness about its existence and the rights & obligations residents living in community schemes have. To obviate any legal challenges / contestations of the levy model and scheme registration requirements, a communication and awareness raising campaign must begin immediately.

CSOS has a responsibility to educate and communicate to its stakeholders and staff on the relevant pieces of community schemes legislation and their requirements in order to empower citizens to access the justice system. The primary purpose of an advocacy campaign is to develop and implement a proactive and coordinated marketing, communication and reputation management strategy for CSOS through the alignment of messaging and the building of a consolidated brand image. This campaign must encompass the following deliverables:

- i. Develop an integrated awareness and stakeholder engagement campaign that is audience specific and fit for purpose.
- ii. Provide resources, including equipment, capacities and operators for above-the-line communication requirements of the campaign.
- iii. Provide resources, including equipment, capacities and operators for all below-the-line communication requirements of the campaign, including digital media and social media.
- iv. Undertake graphic design, copywriting, editing, proof reading, translation services, printing services media buying, and placement on behalf of CSOS.
- v. Sourcing and branding of promotional items &/or corporate gifts.
- vi. Prepare a media schedule for each year and update schedules on an ongoing basis.
- vii. Provide events coordination and management services on an ad-hoc basis.
- viii. Provide a project plan with costings and timelines for all deliverables of the campaign.

Bidders may submit proposals in respect of any one (1) or a combination of the categories listed above. All proposals must, however, include a finance component.

.5.4.6 FINANCE

- i. Contractors / Service Providers may fund part(s) of the required scope-of-work or the entire scope-of-work.
- ii. The solution must provide all-inclusive costs of all the services requested in accordance with the stated deliverables in the relevant section(s).
- iii. The solution must distinguish CAPEX and OPEX costs and clearly outline the contractors expected benefit / return on the investment, with comprehensive projection(s) expressed as either a percentage or a ratio over the desired term of the benefit / return.
- iv. A detailed economic analysis pertaining to the funding provided must be attached. This must incorporate the overall performance and outlook, explaining how different economic factors may affect project performance; e.g. the influence of interest rates; the impact of the levy on consumers, etc. This economic evaluation must assist the CSOS in making a better quantification of the benefits and a more balanced assessment of the relative merit of options for each proposal.

6. Mandatory Requirements

6.1. The following general capabilities have been identified for the IT solution:

- i. System Analysis Report.
- ii. Risk Assessment Report.
- iii. Data protection.
- iv. Technical Design Specification.
- v. The solution must be scalable to ease the effort of system enhancements and/or maintenance.
- vi. The solution must also comply with the open standards requirement.
- vii. User Manual(s).
- viii. User Training.
- ix. Support and Maintenance Capability.
- x. The IT solutions should be user-friendly with easy to use screen navigation.
- xi. Security to the system and modules must conform to the South African Government-wide security legislation, guidelines, and applicable policies. There must be secure communication between the different modules of the solution.
- xii. All required business processes must be modelled to conform with the CSOS Act, STSM Act, and applicable regulations.
- xiii. Skills transfer plan.

6.2. The prospective contractor(s) must be capable of providing the following:

- i. Full funding for each requirement according to the deliverables specified. CSOS will not utilize its own funds. The contractor must demonstrate adequate funding sources and/or other income generating strategies to build, maintain, and operate the project.



- ii. The funding solution should be aligned to milestones and activities, covering the expected duration of the project.
- iii. For the investment made, detail fully the period of return (benefit) on the investment; specifying the length of time to build, operate and transfer the total solution to CSOS and the financial implication(s) thereof.

6.3. General requirements

- i. Develop a risk management plan and a business continuity plan for all new systems and solutions offered.
- ii. All development should be phased, incorporating an element of Quality Assurance (QA) before proceeding to the next phase. Where possible a quality assurance resource should be part of the contractor(s) team specifically to fulfil this function.
- iii. Solutions proposed must incorporate integrity assurance and non-repudiation in line with the Electronic Communications & Transaction Act (Act 25 of 2002) and the Protection of Personal Information (POPI) Act 4 of 2013.
- iv. All applicable systems development security must be incorporated including but not limited to: the Minimum Interoperability standards (MIOS), the Minimum Information Security Standard (MISS), the International Standards Organization (ISO) standards on security, the promotion of Access to Information Act (Act 2 of 2000) and other system specific security legislation in the republic of South Africa and its accompanying regulation.
- v. The proposals must contain a detailed project plan with the following clearly defined:
 - Phases, Milestones, Deliverables and Activities.
 - Methodology to be applied.
 - Implementation Plan.
 - Maintenance Plan.

7. Documentation Required

- 7.1. Bidders are required to submit all the required information for each category they are expressing an interest for. Each category will be evaluated independently of each other and it is therefore important that Bidders submit all the required information separately should they be submitting proposals in one (1) or any combination of the categories. Information for the finance category is compulsory.
- 7.2. Bidders must refer to the following Annexures in their response to the documentation required for each category: -
 - i. ANNEXURE A: Technical Evaluation Scorecard for IT Solution.
 - ii. ANNEXURE B: Technical Evaluation Scorecard for Levy and Collections Management
 - iii. ANNEXURE C: Technical Evaluation Scorecard for Human Capital Solution.
 - iv. ANNEXURE D: Technical Evaluation Scorecard for Awareness and Advocacy Solution.
 - v. ANNEXURE E: Technical Evaluation Scorecard for Funding Solution.

8. Requirements from Bidder(s) for Each Category

8.1. Bidders are also required to submit their response to all the information in this section.

8.2. Provide: -

- i. A company profile, organisational structure and infrastructure/capacity to render the services requested by CSOS.
- ii. Staff compliment.
- iii. Level of expertise of key personnel that may be recommended to CSOS, their accessibility, qualifications and competencies relevant to the scope of services.
- iv. Provide a schedule of the bidder's experience and proven track record over the past three (3) years. The information provided for each client (a minimum of 3) must include:
 - Client name;
 - Contact person, phone number, company business address;
 - Contract period;
 - Description of a project / campaign;
 - Value of the project;
 - Challenges; and
 - Value-added services.

Note: CSOS reserves the right to contact the clients for a reference check. It is important to ensure that the clients listed on the bidder's schedule are contactable.

- v. Provide two (2) most recent testimonials from any clients, where similar services were provided.
- vi. The Bidder's approach to ensure skills and knowledge transfer to CSOS staff.
- vii. Full contact details of the Project Leader and Account Manager(s).

9. Submission of EOI Proposals

9.1. EOI proposals must be deposited at **11:00 am** on or before **02 December 2016** in the Tender Box at:

The CSOS
1st Floor Building A
63 Wierda Road East
Wierda Valley, Sandton

9.2. Documents must include: -

- i. One Original (clearly marked). The hard copy original of the bid response will serve as the



legal bid document and must be signed on each page.

- ii. Three copies (or 3 duplicates).
- iii. USB with content for each category bidders are expressing an interest.

Note It is the bidders responsibility to ensure that memory sticks have readable files (MS Office 2010 and/or pdf).

The USB content must only include Bidders technical response(s) to the deliverables, any supporting documents for technical responses, and references.

All electronic data submitted must be an exact copy of the hard copy document. Any discrepancies between the electronic data and the hard copy may invalidate the bid.

- 9.3. The original and copies should be submitted in a separate, sealed envelope or suitable cover on which the name and address of the bidder, the bid number and the closing date must be clearly endorsed.
- 9.4. Proposals must be properly packaged. Content (both hard and soft copy) should be marked correctly for easy reference during the evaluation process.
- 9.5. Proposals are to be submitted in English. All documentation will be held in accordance with the CSOS Records Management Policy.

10. Terms and Conditions

- 10.1. This EOI and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract will prevail.
- 10.2. Any award made to a Bidder under this EOI is conditional, amongst others, upon:
 - i. The Bidder accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which CSOS is prepared to enter into a contract with the successful Bidder;
 - ii. Such Bidder accepting all terms and conditions as set out in this EOI document; and
 - iii. Such Bidder submitting the General Conditions of Contract to CSOS together with its Bid, duly signed by an authorised representative of the Bidder.
- 10.3. CSOS reserves the right: -
 - i. Not to award or to cancel this EOI at any time and shall not be bound to accept the lowest or any bid;
 - ii. To negotiate with one or more Preferred Bidder(s) regarding any terms and conditions, including price without offering the same opportunity to any other Bidder(s) who has not been awarded the status of the Preferred Bidder(s);
 - iii. To accept part of a Bid rather than the whole Bid;



- iv. To cancel and/or terminate the EOI process at any stage, including after the Closing Date; and/or after Bids have been evaluated; and/or after the Preferred Bidder(s) have been notified of their status as such; and/or after the RFQ stage;
 - v. To correct any mistakes at any stage of the EOI that may have been in the Bid documents or that occurred at any stage of the Bid process
- 10.4. Ownership in Services vests in the CSOS. All rights of ownership and copyright in the Services to be provided by the Contractor to the CSOS shall vest solely with the CSOS and the Contractor will not make such information available to any other party without the written consent of the CSOS on such terms and conditions as may be stipulated by the CSOS at that time.
- 10.5. The Contractor shall provide the CSOS with detailed Documentation and Reports as set out in the Project Plan or when required in writing by the CSOS in both electronic and hard copies. Reports shall contain accurate information so as to enable the CSOS to monitor and manage the Contractor's performance.
- 10.6. All Documentation and Reports shall be in English.
- 10.7. The CSOS the right to conduct supplier due diligence prior to final award or at any time during the contract period.

11. Tax Clearance Certificate

- 11.1. An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time of EOI.
- 11.2. Copies and/or certified copies of the Tax Clearance Certificate will not be acceptable.
- 11.3. Failure to submit the original and valid Tax Clearance Certificate at the closing date and time of bid will invalidate the bid.

12. Value Added Tax

- 12.1. All bid prices must be inclusive of 14% Value-Added Tax.
- 12.2. Failure to comply with this condition may invalidate the bid.

13. Financial Statements

- 13.1. Bidders are required to submit complete sets of audited / reviewed annual financial statements for the three (3) most recent financial periods in the name of the bidding entity. The financial statement analysis will be conducted on the shortlisted bidders in each category.
- 13.2. Bidders that are tendering for more than one category need only submit one (1) set of annual financial statements.
- 13.3. The annual financial statements must contain:
- i. Statement of Profit and Loss and Other Comprehensive Income;
 - ii. Statement of Financial Position;
 - iii. Statement of Cash Flows; and
 - iv. Accompanying Notes.



- 13.4. In the event that the subsidiary is the bidding entity and submits the financial statements of the holding company for financial evaluation purposes, the holding company must furnish a Performance Guarantee that is signed by a duly authorised representative of the entity.
- 13.5. In the event of the bid being in the form of a JV, the following is required:
 - i. Annual financial statements of the JV; and
 - ii. A JV legal agreement detailing the percentage ownership of each entity.
- 13.6. CSOS reserves the right to request further information with regards to the annual financial statements of a bidder at a later stage.

14. Late Bids

Bids received after the closing date and time, at the address indicated in the EOI documents, will not be accepted for consideration, and where practicable, be returned unopened to the bidder.

15. Counter Conditions

- 15.1. Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions by bidders may result in the invalidation of such bids.
- 15.2. The CSOS reserves the right to change any information in, or to issue any addendum to this bid before the Closing Date and Time.

16. Fronting

- 16.1. The CSOS supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemns any form of fronting.
- 16.2. The COS, 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 to determine the accuracy of the representation 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 established during such enquiry/investigation, the onus will be on the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder/contractor concerned.

17. EOI Evaluation Criteria

The evaluation process comprises the following phases: -

- 17.1. PHASE I: MANDATORY REQUIREMENTS
During this phase bidders' response will be evaluated based on the mandatory requirements. Without limiting other critical requirements of this EOI, a Bidder must submit the documents indicated in the table below. This phase is not scored and bidders who fail to comply with all the mandatory



criteria will be disqualified. Documents must be completed and signed by the duly authorised representative of the prospective Bidder.

Document that must be submitted	Non-submission may result in disqualification
One original, three copies, and readable USB	YES . Please provide proposals as specified.
Name of the bidder that signed the briefing session register	YES . CSOS will verify that the bidder (or one of the bidding parties) did attend the compulsory briefing session.
Invitation to Bid . SBD 1	YES . Please complete and sign the supplied pro forma document.
Tax Clearance Certificate . SBD 2	YES . Please submit a valid and original certificate.
Declaration of Interest . SBD 4	YES . Please complete and sign the supplied pro forma document.
Preference Point Claim Form . SBD 6.1	NO . Non-submission will lead to a zero score for BBBEE. The copy of BBBEE credentials must be certified by a Commissioner of Oats.
Declaration of Bidder's Past Supply Chain Management Practices . SBD 8	YES . Please complete and sign the supplied pro forma document.
Certificate of Independent Bid Determination . SBD 9	YES . Please complete and sign the supplied pro forma document.
Latest audited Financial Statements for the past 3 years	YES . This is a minimum mandatory requirement in the ToR.
Signed General Conditions of Contract	YES . This is a minimum mandatory requirement in the ToR.
In the event of Sub-Contracting (more than 25% of the contract value)	YES - Attach BEE Certificates (certified) & TCC (original) of the sub-contractors.
In the event of a Joint Venture/Consortium	YES - attach agreement, audited financial statements, TCC (originals) and BEE certificates (certified) of all members of JV/Consortium.

17.2. PHASE II: FUNCTIONAL EVALUATION:

17.2.1. Only bidders who have complied with all mandatory requirements will be evaluated for functionality. Before scoring commences, the following mandatory documents will be checked: -

- i. Has the service provider submitted a company profile?
- ii. Has the service provider submitted a methodology/proposal to provide the deliverable(s)/solution(s) required for this EOI according to the categories specified?
- iii. Has the service provider attached CV's of key people and testimonials?

17.2.2. Proposals that do not meet any or all of these requirements will be classified as non-responsive and will not be scored. Only Bidder(s) that have met the Pre-Qualification Criteria in Phase II will be evaluated for functionality.

17.2.3. Bidder(s) will be scored out of a maximum of 20 points, in each category they have tendered for. The funding analysis (compulsory category) will be used to determine the

financial viability of the proposal received. Thereafter, Bidders will be ranked according to the points achieved.

- 17.2.3. The total (out of 40 points) for finance and the respective category will be used to determine the top four (4) Bidders in each category. They will be shortlisted and evaluated further for BBEE.

NOTE: Bidders must note that they may submit proposals in one or more of the above categories. Each category will, however, be evaluated separately.

17.3. PRICE AND B-BBEE EVALUATION (PHASE III) (0 + 10) = 10 POINTS

- i. Stage 1 . Price Evaluation (0 points). Bidders will not be evaluated and scored for Pricing. The successful bidder(s) are appointed on the basis of pre-funding the operational readiness of CSOS with a view to deferring a return on their investment at a future date.
- ii. Stage 2 . B-BBEE Evaluation (10 points)
B-BBEE points may be allocated to Bidders on submission of a duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1), including paragraph 8 thereof relating to the sub-contracting of the services, and a certified B-BBEE Certificate.

Notes

- Bidders who do not claim Preference Points will be scored zero for B-BBEE, but cannot be excluded from the tender process for that reason. CSOS will accept a B-BBEE Certificate issued on the revised B-BBEE Codes.
- Joint Ventures (JV) and Consortiums. Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE scorecard as if they were a group structure for every separate tender.
- Sub-contracting. Bidders who want to claim Preference Points will have to comply fully with regulation 11(8) and 11(9) of the PPPFA Act with regard to sub . contracting:
 - Regulation 11(8)
A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended subcontractor is an EME that has the capability and ability to execute the sub-contract.
 - Regulation 11(9)
A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

- 17.4. Once the EOIs are evaluated and adjudicated, a course of action will be determined based on the responses.

- 17.5. All communication with potential partners would follow after adjudication and the determination of the accounting authority. All forms of communication would be treated as confidential.



18. Validity of EOI

- 18.1. The EOI shall be valid for period of 90 days after the closing date of advertisement.
- 18.2. The EOI validity may be extended by the CSO in compliance with relevant legislation.

19. Preparation Costs

The Bidder will bear all its costs in preparing, submitting and presenting any response or tender to this EOI and all other costs incurred by it throughout the Bid process. Furthermore, no statement in this Bid will be construed as placing CSOS, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the Bidders in the preparation of their response to this Bid.

20. Governing Law

South African law governs this Bid and the Bid response process. The Bidder agrees to submit to the exclusive jurisdiction of the South African courts 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.

20. Briefing Session

A compulsory briefing session will be held at: -

CSOS, 1st Floor Building A, 63 Wierda Road East, Wierda Valley, Sandton on

11 November 2016 from 10h30 to 12h00, to clarify the scope and extent of work to be executed.

21. CSOS Contacts

Ms Matilda Dikeledi Phohole

Tel: +27 (010) 593 0533 Ext 1016

eMail: matilda.phohole@csos.org.za

Bidders must reduce all telephonic enquiries to writing and send the same to the above email addresses.

ANNEXURES

Annexure A – TECHNICAL EVALUATION SCORECARD: IT SOLUTION (Database and Applications)

CRITERION	WEIGHT	SCORE
Documentary evidence to demonstrate previous experience of the bidder in undertaking projects of this nature, and a proven track record where IT build and operate services has been provided. Bidders are required to provide a portfolio of government specific experience within the implementation of solution that included Legislation.	5	
Documentary evidence to demonstrate a structured approach and work methodology/approach through a concise capability statement/project proposal proving the ability to perform the activities as outlined in the Scope of Work. In addition, this work methodology/approach must include a clear statement of the bidders understanding of the Scope of Works and implications on system functionality as it relates to financial management and internal control.	5	
System requirements: Bidders must indicate how they will address the CSOS Business requirements in detail through their software solution and professional services.	5	
Company profile, organisational structure and infrastructure to render the services: - <ul style="list-style-type: none"> • Indicate a range of in-house services provided specific to CSOS requirements, • Staff complement; • Level of expertise of key personnel that may be recommended to CSOS, their accessibility, qualifications and competencies relevant to the scope of services; and • Full contact details of the key contact person / Accounts Manager. 	5	
TOTAL	20	

Annexure B – TECHNICAL EVALUATION SCORECARD: LEVY AND COLLECTIONS MANAGEMENT

CRITERION	WEIGHT	SCORE
Documentary evidence to demonstrate previous experience of the bidder in undertaking projects of this nature, and a proven track record where revenue management and debtors management solutions has been provided. Bidders are required to provide a portfolio of specific experience within the implementation of solution(s) that included a billing or collections system.	5	
Documentary evidence to demonstrate the ability to perform the activities as outlined in the Scope of Work.: - <ul style="list-style-type: none"> • Project management approach / methodology for execution; • Bidders understanding of the implications on system functionality as it relates to financial control, records management and other internal controls; • Bidders understanding of the implications on system functionality as it relates to case management (lodgement, assessment, investigation, conciliation, arbitration, and governance documentation); • System compliance to open standards; quality assurance; integrity assurance and minimum interoperability standards; and • Ability of the proposed solution to generate reports, provide customizable business intelligence and business analytics; ensure information protection and security; and full redundancy. 	5	
Documentary evidence to demonstrate the bidders: - <ul style="list-style-type: none"> • Approach to training; skills and knowledge transfer; • Certifications (Prince II, SITA Solution Implementation method - SSIM); • Relevant skills and experience of resources (skills matrix); their accessibility, qualifications and competencies relevant to the scope of services; and • Approach to change management. 	5	
Company profile, organisational structure and infrastructure to render the services: - <ul style="list-style-type: none"> • Indicate a range of in-house services provided specific to CSOS requirements, • References and testimonials have been included; • Level of expertise of key personnel that may be recommended to CSOS; • The bidder is well qualified by virtue of experience and resources to carry out the proposed plan and possess all the technical resources required (labour, equipment, processes, etc.) necessary to fulfill the contract; and • Full contact details of the key contact person / accounts manager. 	5	
TOTAL	20	

Annexure C – TECHNICAL EVALUATION SCORECARD: HUMAN CAPITAL SOLUTION

CRITERION	WEIGHT	SCORE
Documentary evidence to demonstrate previous experience of the bidder in undertaking projects of this nature, and a proven track record where IT build and operate services has been provided. Bidders are required to provide a portfolio of government specific experience within the implementation of solution that included Legislation.	5	
Documentary evidence to demonstrate a structured approach and work methodology/approach through a concise capability statement/project proposal proving the ability to perform the activities as outlined in the Scope of Work. In addition, this work methodology/approach must include a clear statement of the bidders understanding of the Scope of Works and implications on system functionality as it relates to financial management and internal control.	5	
System requirements: Bidders must indicate how they will address the CSOS Business requirements in detail through their software solution and professional services.	5	
Company profile, organisational structure and infrastructure to render the services: - <ul style="list-style-type: none"> • Indicate a range of in-house services provided specific to CSOS requirements, • Staff complement; • Level of expertise of key personnel that may be recommended to CSOS, their accessibility, qualifications and competencies relevant to the scope of services; and • Full contact details of the key contact person / Accounts Manager. 	5	
TOTAL	20	

Annexure D – TECHNICAL EVALUATION SCORECARD: AWARENESS AND ADVOCACY CAMPAIGNS

CRITERION	WEIGHT	SCORE
Documentary evidence to demonstrate previous experience of the bidder in dealing with Public Sector Clients in recruitment processes, on-boarding process, and performance management.	5	
The bidder has interpreted the CSOS requirement, outlining a methodology inclusive of the project plan to acquire, manage, and transfer the human resources required by CSOS.	5	
The bidder possesses planning and implementation skills; having the ability to communicate at all levels; being able to provide a linkage of the strategic issues and operational issues on the project; and a plan to capacitate the human resources acquired as well as a skills and knowledge transfer plan.	5	
<p>Bidders are also requested to submit a company profile as part of their work plan that includes the following information:</p> <ul style="list-style-type: none"> • Company background: Date established names and directors, affiliated to groups. • Infrastructure: Offices, service centres and number of personnel. • Full contact details of the key contact person / accounts manager. 	5	
TOTAL	20	

Annexure E – TECHNICAL EVALUATION SCORECARD: FUNDING APPROACH AND FINANCIAL MODEL

CRITERION	WEIGHT	SCORE
The bidder has provided a funding strategy, detailing the financial requirements over a length of time. The bidder has demonstrated the financial ability, structure and infrastructure to fund a project of this nature.	5	
The bidder has outlined baseline costing (build costs and run costs); detailing the amount required to fulfil each objective; which is aligned to the proposed project plan schedule.	5	
The bidder has indicated a revenue model aligned to the business model of the proposed solution. The bidder has sufficiently detailed the period of the contract; how the revenue earned will be apportioned (ratio or percentage) and the return on investment that the bidder strives to secure from CSOS	5	
The bidder has provided a detailed economic analysis pertaining to the funding plan and revenue model. The analysis incorporates monetary, quantitative and qualitative factors, which systematically analyses all the costs and benefits associated with the solution, assessing its overall benefits.	5	
TOTAL	20	

The evaluation score for functionality will be calculated according to the following scale: -

Description of scoring	Performance	Score
Response addresses and exceeds the specification requirements	Exceed	5
Response addresses all specification requirements	Fully Compliant	4
Response partially addresses the specification requirements	Partially compliant	2 - 3
Response did not address the functionality requirements	Non-compliant	0 - 1