



# **THE NATIONAL CREDIT REGULATOR**

**MAY 2017**

## **TERMS OF REFERENCE TO CONDUCT AN IMPACT ASSESSMENT OF THE EDUCATIONAL AND INVESTIGATION ACTIVITIES**

**RFQ NUMBER: NCR429/05/17**

<b>DUE DATE: 12 JUNE 2017</b>
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# **SECTION 1**

## **GENERAL TERMS OF CONDITIONS**

### **1. General Information for Bidders**

The National Credit Regulator (NCR) was established in terms of Section 12 (1) of the National Credit Act (Act 34 of 2005) and came into being on 1 June 2006.

The NCR will determine which bidding organisation ("bid participant"), if any, is appointed in response to this request for submission of a service provider to conduct an impact assessment of the Educational and Investigation activities.

#### **1.1. General Terms**

This tender is issued in terms of the Public Finance Management Act 1 of 1999 (PFMA), the Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA), the Preferential Procurement Regulations, 2017 (PPR), Supply Chain Management Regulations issued by the National Treasury and BBBEE Act.

Parties that wish to submit proposals are required to indicate that they are willing to accept the General Conditions and Procedures of the NCR (see Section 4 below and Annexure B.1). Please read this document carefully prior to submitting your proposal.

#### **1.2. The Proposal Format**

##### **1.2.1. Economy of proposal preparation**

The proposal should be prepared simply and economically, providing a straightforward and concise description of the bid participant's ability to meet the requirements of the proposal request.

Clear factual responses are required. The content of the proposals shall determine the merit of each participant, not brochures or other marketing material. To facilitate the review of proposals, participants are required to organise their responses according to the format presented below. Should a participant wish to provide additional information, that information should be referred to, and provided for, in a file of Annexures.

### **1.2.2. Validity of proposals**

The proposals must include a statement as to the period for which the proposal remains valid. The proposal must be valid for at least ninety (90) days from the due date for the submission of all bids. Refer to the quarters in the terms of reference (TOR).

### **1.2.3. Number of proposals**

Each bid participant must provide **three (3)** hard copies and **1 CD** of their entire proposal, including all the documentation referred to in 1.5 below, in the format specified in that section. All submitted proposals will become the property of the NCR, and will not be returned. Receipt of all proposals will be recorded in a register at the point of receipt. One copy of the proposal must be signed and dated in black ink by the bidder or authorized representative of the bidder and initialled on each page.

## **2. Submission of proposals**

**2.1.** Proposals must reach the offices of the NCR before 11:00 on 12 June 2017, and must be enclosed in a sealed envelope which must be clearly labelled/addressed on the outside:

**(a) RFQ No: NCR429/05/17**

**(b) TERMS OF REFERENCE TO CONDUCT AN IMPACT ASSESSMENT  
OF THE EDUCATIONAL AND INVESTIGATION ACTIVITIES**

**(c) CLOSING DATE: 12 JUNE 2017**

**2.2.** Proposals are to be submitted in the marked tender box, in the reception area, National Credit Regulator, 127-15<sup>th</sup> Road, Randjiespark, Halfway House, Midrand. The tender box will **only** be available for the depositing of proposals between 08h00 and 16h30 on weekdays (excluding public holidays).

**2.3.** Please note that this RFQ closes punctually at 11h00 on 12 June 2017. No late submissions will be considered under any circumstances.

**2.4.** **All** the documentation referred to in Section 4 below must be submitted. Failure to submit all the documentation referred to in this section may result in a submission being discarded, and not considered for evaluation.

- 2.5.** If responses are not delivered as stipulated in this Section 2.1, such responses will be considered “**late**”, and will not be considered for evaluation.
- 2.6.** The NCR shall not disclose any details pertaining to the responses received, to any other participant, as this is regarded as confidential information.
- 2.7.** Envelopes must not contain documents relating to any RFQ other than the one referred to in this RFQ.
- 2.8.** The responses to the RFQ will be opened as soon as is practical after the expiry of the time advertised for receiving them.
- 2.9.** Only the participants that are short-listed after the evaluation process will be informed of the results of the submission adjudication process.
- 2.10.** After the evaluation process is completed, the Evaluation Committee may, prior to making a final selection, draw up a shortlist of participants and require them to make a detailed presentation to the Adjudication Committee. A minimum of 2 days’ notice will be given to relevant participants in advance of the presentation date.

### **3. Timetable**

<b>Date</b>	<b>Activity</b>
<b>19.05.2017</b>	Issue tender document
<b>11.06.2017</b>	Closing date
<b>14.06.2017</b>	Evaluations – functionality criteria
<b>15.06.2017</b>	Consolidation of scores
<b>19.06.2017</b>	Verification of scores
<b>23.06.2017</b>	Adjudication committee
<b>30.06.2017</b>	Appointment of a supplier

The National Credit Regulator reserves the right to determine the structure of the process, the right to determine the number of short-listed participants, the right to withdraw from the proposal process, and the right to change this timetable at any time without notice.

#### **4. Documentation to be submitted**

##### **Please Note**

All of the documentation described below must be submitted, with no omissions whatsoever. Where a particular form or format of documentation is stipulated, this is the **only** form or format in which these documents must be submitted. Failure to adhere to these requirements may result in the rejection of the entire submission.

**All of the documentation referred to below (in Parts One – Eleven) must be submitted. For ease of reference and to facilitate the evaluation process, you are requested to clearly mark each part of the submitted documentation as it is referred to below.**

##### **Part One – Proposal drafted in response to Terms of Reference**

Section 2 of this document below, contains the terms of reference (TOR) for the above mentioned tender. Bid participants are required to draft a proposal that will clearly indicate to the Evaluation Committee how they will fulfil the requirements as set out in the TOR.

Bid participants should include the following information when drafting their proposals:

- Proposals should make clear the relevant skills, experience and capacity of the participant, in respect of this particular TOR. This is an important evaluation criterion. Bid participants should ensure that their proposals focus on how they will address the requirements of this TOR, rather than on achievements.
- Proposals must contain the details of the proposed approach to be adopted in order to deliver the service in accordance with the TOR.
- Proposals should clearly indicate whether or not bid participants have the internal capacity to meet the requirements of the TOR.

##### **Part Two – Pricing Proposal**

Annexure A – SBD 3.1 Pricing Schedule. They must be completed on the original and signed, all in black ink. Forms with photocopies and/or other reproductions of signatures may be rejected. Additional information may be added on a separate page if necessary. **DO NOT RETYPE THESE FORMS**

The total price that the participant will charge to deliver services in accordance with the TOR must be clearly indicated. The pricing proposal should contain sufficient information to allow the Evaluation Committee to estimate the cost of the service, to a high degree of accuracy.

Please note that a financial proposal must be submitted in a **separate sealed envelope** together with your submission. The financial Proposal will be opened once all technical proposals have been evaluated. This appointment will be made in line with QBS.

**All prices provided must be inclusive of Value-Added Tax (VAT).**

Please note that the prices contained in the pricing proposal are the only charges that may be levied if the participant's proposal is successful, unless explicitly agreed to in writing by the National Credit Regulator, and in terms of the General Conditions of Contract.

### **Part Three – General Conditions and Procedures of the NCR**

Annexure B and B1 - General Conditions and Procedures of the NCR. Bid participants must indicate clearly that they have read this document, and have no objections to being bound by its contents. In cases where any provisions of the General Conditions and Procedures conflict with this General Information for Bidders and/or Terms of Reference, the latter will take precedence over the General Conditions of Contract.

### **Part Four – Contract Form: Rendering of Services**

Annexure C - Contract Form: Rendering of Services. This will only be completed by the successful bidder once a selection has been made by NCR. Participants do not, therefore, need to complete this form at the bidding stage but their proposals must clearly indicate that they have read this form, and have no objections to signing it as is, if selected as the successful participant.

### **Part Five – Tax Clearance Certificate**

Annexure D - Please complete form SBD 2. **DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink.. Failure to submit a valid, original tax clearance certificate issued by SARS will result in a proposal being rejected.

***## Please note that the Tax Clearance Certificate submitted must be valid for at least one month after the closing date of the tender.***

### **Part Six – Preference Points Claim Form**

Annexure E – form SBD 6.1. Bid participants must complete Sections 8 and 9 in full. **DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink. Forms with photocopies and/or other reproductions of signatures may be rejected. ***## Please note that a BBEE certificate must also be attached to the bid documents. None submission will result in zero scoring in this competitive bidding process***

#### **Part Seven – Declaration of Interest**

Annexure F – form SBD 4. **DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink. Forms with photocopies and/or other reproductions of signatures may be rejected.

#### **Part Eight – Declaration of past Supply Chain Management Practices**

Annexure G – form **SBD 8. DO NOT RETYPE THESE FORMS.** They must be completed on the original and signed, all in black ink. Forms with photocopies and/or other reproductions of signatures may be rejected.

#### **Part Nine – Non-Disclosure Agreement**

Annexure H – Non-Disclosure Agreement. Participants must indicate clearly that they have read this agreement, and have no objections to signing it, as is.

#### **Part Ten – Certificate of Independent Bid Determination**

Annexure I – Certificate of Independent Bid Determination Participants. They must be completed on the original and signed, all in black ink. Forms with photocopies and/or other reproductions of signatures may be rejected.

#### **Part Eleven – SLA draft version for supplier review**

Annexure K – SLA draft version for supplier review. The participants must indicate clearly that they have read this agreement, and have no objections to signing it, as is. If not objections should be outlined separately in a letter.

### **5. Evaluation Criteria**

Proposals will be evaluated on the 80/20 preference points scoring system: that is, 80% of the points awarded will be based on price, as indicated in the table below; and 20% of the points awarded will be based on B-BBEE codes system, allocated as indicated in the table below:

<b>B-BBEE status level of contributor</b>	<b>Number of points</b>	<b>Price</b>
1	20	80
2	18	
3	14	
4	12	
5	8	
6	6	
7	4	
8	2	
Non-compliant contributor	0	
Total maximum points	<b>20</b>	<b>80</b>

**Functionality will be evaluated in terms of Section 2 point 6**

#### **Description**

- Proposals should make clear the relevant **skills, experience and capacity** of the participant, in respect of this particular TOR
- Proposals must contain the details of the **proposed approach** to be adopted in order to deliver the service in accordance with the TOR
- Proposals should clearly indicate whether or not bid participants have the **internal capacity** to meet the requirements of the TOR

#### **6. Conflict of interest**

Service providers are required to provide services that are professional, objective and impartial. Service providers must ensure that there is no conflict of interest between existing assignments, obligations and responsibilities to other clients and the services set out in the



TOR. In the event of any uncertainty in this regard, full disclosure in the submitted proposal should be considered. Non-disclosure of a conflict of interest may be grounds for termination of any contract.

## **7. Confidentiality agreement**

The successful service provider may have access to confidential data or information. The appointment of a successful bidder is subject to that bidder agreeing to the contents of, and signing, the NCR's standard Non-Disclosure Agreement.

## **8. Contact details**

This no-contact policy does not apply to any information deemed to be in the public domain, or which is readily available from organs of State, which are repositories of such information. All communications and enquiries/requests for clarification relating to this proposal should be directed to [procurement@ncr.org.za](mailto:procurement@ncr.org.za)

## **SECTION 2**

### **TERMS OF REFERENCE TO CONDUCT AN IMPACT ASSESSMENT OF THE EDUCATIONAL AND INVESTIGATION ACTIVITIES**

#### **1. INTRODUCTION AND BACKGROUND**

In March 2015 the National Credit Regulator (“the NCR”) was empowered through the National Credit Act as amended (“the Act”) to register anyone wanting to operate as a Payment Distribution Agent (PDA). Prior to enactment of this provision, the NCR accredited PDAs to collect funds on behalf of consumers who are under debt counselling and distribute such funds to credit providers.

All the NCR accredited PDAs who operated prior to commencement of the Act must be registered with the NCR within a period of 12 months from the proclamation date. Further to this registration requirement, PDAs are required to open a separate trust account with a registered bank into which interest earned on monies collected from consumers must be deposited.

To this end, the NCR has opened a trust account into which all interest earned on monies held by the PDAs is deposited. All NCR accredited PDAs have already started transferring the interest earned to this account.

In terms of Regulation 10A 9(h) (iii) of 13 March 2015, the NCR had to develop a policy on the usage of the trust account funds (interest) for approval by the Minister of Trade and Industry. To comply with this regulation, the NCR developed such a policy which was approved by the Minister and became implementable on 15 October 2015.

The approved policy requires the NCR to conduct annual impact assessment on utilization of the funds and provide a report to the Minister.

## **2. UTILISATION OF THE PDA INTEREST**

The approved policy stipulates that the PDA interest earned should be used for the activities aligned to the NCR's mandate in terms of section 3(e) (i) & (iii) and section 15 of the Act as follows:

- 2.1.** Consumer awareness and education campaign; and
- 2.2.** Investigation of prohibited conduct.

## **3. PURPOSE OF THE TERMS OF REFERENCE (TOR)**

The purpose of this TOR is to appoint a professional service provider to conduct an impact assessment of the NCR's educational and investigation activities for the period 1 April 2016 to 31 March 2017.

## **4. METHODOLOGY**

In this study, the qualifying professional service provider will have to formulate a comprehensive view of the impact of the NCR's educational and investigation activities for the period under consideration. It is further expected that the qualifying service provider will utilize qualitative and quantitative tools to measure the impact of these activities.

## **5. SCOPE OF WORK**

This scope of work serves as a guide and the qualifying service provider is expected to demonstrate creativity in value add in their proposals.

### **5.1. Universe and sampling**

- 5.1.1.** Quarterly reports submitted to the Minister of Trade and Industry;
- 5.1.2.** The NCR registrants;
- 5.1.3.** The NCR departments (Debt Counselling, Compliance, Education and Communication and Investigations and Enforcement departments);
- 5.1.4.** Relevant stakeholders (i.e. consumers, relevant organizations both in the public and private sector).

In addition, the following specific activities will have to be conducted as part of the overall study:

## **5.2. Education activities**

### **5.2.1. Definition of consumer universe and Sampling**

- The target audience will be LSM 1-10, representative of the demographics of the country
- The evaluation will cover the geographic spread of the country

### **5.2.2. Interviews**

The following stakeholders and organisations, amongst others, will have to be interviewed to establish the evaluation outcomes of the research:

- Parliamentarians (National and Provincial);
- Government departments;
- Non-Government Organisations (NGO's);
- Traditional authorities;
- Faith Based Organisations;
- Trade Unions;
- Other regulators;
- Industry associations;
- Journalists, including radio personalities and producers.

### **5.2.3. Secondary research**

Identify desktop material to be reviewed in this research project including the following:

- General print and online media that covered NCR campaigns;
- Academic and related journals;
- Socio-economic publications;
- Localised education and information publications; and
- Corporate publications.

#### **5.2.4. Consumer awareness**

- Consumer understanding of the roles and responsibilities of the NCR as provided by the NCA as amended; and
- Consumer understanding of their rights under the NCA as amended.

*The above mentioned should include focus groups representative of the demographics of the areas where education efforts have been undertaken.*

### **5.3. Investigations activities**

#### **5.3.1. Definition of consumer universe and Sampling**

- The target audience will be registrants; credit providers, credit bureaus, debt counsellors and payment distribution agents monitored and investigated.
- The evaluation will cover registrants monitored and investigated activities undertaken during the year under review.

#### **5.3.2. Interviews**

The following stakeholders and organisations, amongst others, will have to be interviewed to establish the evaluation outcomes of the research:

- Registrants (credit providers, debt counsellors, credit bureaus and payment distribution agents);
- National Consumer Tribunal (NCT);
- South African Police Service (SAPS);
- National Prosecution Authority (NPA);
- Parliamentarians (National and Provincial);
- Provincial consumer affairs offices;
- NGO's;
- South African Social Security Agency (SASSA);
- South African Fraud Prevention Services (SAFPS) and
- Department of Justice (DOJ).

#### **5.3.3. Positive outcomes**

- An assessment of the factors that have contributed positively towards the realization of the stated goals of the educational and investigations activities.
- An analysis of the factors that have contributed to the effectiveness of these activities.

#### **5.3.4. Inhibiting factors**

- An identification of the persistent and continuing factors that inhibit progress towards the realization of optimal educational and investigation activities.
- Identify measures that can be employed in addressing these inhibiting factors.

### **5.4. Research study outputs**

**5.4.1.** A project plan detailing key milestones to be delivered which should be discussed and agreed to with the NCR;

**5.4.2.** Project inception report detailing the overall structure of the final report and key focus areas;

**5.4.3.** Various instruments that will be used in the conduct of this study given the multifaceted nature of data and information gathering of this project;

**5.4.4.** The interview instruments and guidelines that need to be developed and agreed to in advance with the NCR;

**5.4.5.** A draft report that reflects all items listed under the scope of work and other relevant matters should be presented to the NCR within 4 weeks of the commencement of the study;

**5.4.6.** A detailed presentation summarizing the key preliminary findings should be presented to NCR within one week thereafter;

**5.4.7.** Facilitate at least two workshops with the project coordinator and other team members at NCR with a view to refining the preliminary findings;

**5.4.8.** Finalizing the report that incorporates NCR comments and further work by the service provider within one week of the presentation at NCR.

## 6. FUNCTIONALITY EVALUATION

The functionality criteria will be evaluated based on the following:

Description	Weights
<p><b>Understanding of the NCR requirements</b></p> <p>Does the proposal show bidder's understanding of the NCR requirements to conduct an impact assessment of the Educational and Investigation activities</p>	10
<p>Proposals should make clear the <u>relevant</u> <b>skills, experience and capacity</b> of the participant, in respect of this particular TOR</p> <ul style="list-style-type: none"> <li>• The experience of the company in undertaking similar work or projects</li> <li>• The relevant skills level of the entire project team( Brief CV's of the team members)</li> <li>• Capacity and experience in operating at a strategic level;</li> <li>• Capability statement</li> </ul>	30
<p>Proposals must contain the details of the <b>proposed approach</b> to be adopted in order to deliver the service in accordance with the TOR.</p> <p>Proposed approach in relation to the scope of work and the outputs above</p> <ul style="list-style-type: none"> <li>• Project Execution Plan or Framework</li> <li>• Ability to meet tight deadlines and work schedules;</li> <li>• Ability to develop a clear and measurable project plan when appointed to undertake the project;</li> </ul>	30

<p>Proposals should clearly indicate whether or not bid participants have the <b>internal capacity</b> to meet the requirements of the TOR. This will include but not limited:</p> <ul style="list-style-type: none"> <li>• Resources and personnel to be dedicated to the project;</li> <li>• Office and administrative capacity to carry on the work of this magnitude</li> <li>• Project team leader;</li> <li>• The percentage of the work if any that will be outsourced to third parties;</li> <li>• Project team professional resumes;</li> <li>• Capability statement.</li> </ul>	20
<p><b>References</b></p> <ul style="list-style-type: none"> <li>• Contact details of at least two references from amongst recent clients with whom similar work has been conducted in the past 6 Months.</li> </ul>	10

Bidders are required to score a minimum of 70% points on functionality to qualify to be evaluated in the next level (BBBEE and price). Bidders who do not score the minimum of 70% points on functionality will be disqualified and not be evaluated on price and BBBEE.

## 7. Additional information

**7.1.** Brief company profile, as relevant to the above mentioned terms of reference.

**7.2.** Experience in the relevant areas.

**7.3.** A proposal including methodology

**7.4.** Certification of all team members, highlighting experience relevant to this exercise.

Confirmation that the proposed team members will in fact be available to undertake this exercise at the appropriate time and meet the necessary deadlines.

**7.5.** The proposal should contain a work plan, showing tasks, timelines etc.

**7.6.** Contact details of at least two references from amongst recent clients with whom similar work has been conducted in the past 6 Months.

**7.7.** Certificate of incorporation / legal status.

**7.8.** Financial proposal must include the cost of disbursements, flights, VAT etc.

**7.9.** Proof of CSD registration.