

**TERMS OF REFERENCE
FOR
Insurance Brokerage Services**

Closing Date: 04 August 2021,12:00 noon

1. TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

Kathu Madzivha
+27 12 841 2833
Kmadzivha@agrement.co.za

2. SUPPLY CHAIN MANAGEMENT ENQUIRIES MAY BE DIRECTED TO:

Daniel Mamaregane
+27 12 841 2735
Dmamaregane@agrement.co.za

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1 BACKGROUND

Agrément South Africa has been housed and managed by the Council for Scientific and Industrial Research (CSIR) and became a Schedule 3A public entity in terms of the Public Finance Management Act (Act No. 1 of 1999) from 01 April 2017.

ASA is tasked with conducting testing, performance and certification of construction industry products and methodologies to ensure quality and durability of such products on behalf of the Department of Public Works. ASA's mission is to promote government's objectives of economic development, good governance and raising living standards and prosperity in South Africa.

The main objectives are:

- To provide assurance of fitness-for-purpose of non-standard construction related products and systems to specifiers and users.
- To support and promote the process of integrated socio-economic development in the Republic as it relates to the construction industry.
- To support and promote the introduction and use of certified non-standardised construction related products or systems in the local or international market.
- To support policy makers in minimizing the risk associated with the use of non-standard construction related product or system; and
- To be an impartial and internationally acknowledged South African centre for assessment and confirmation of fitness-for-purpose of non-standard construction related products or systems.

The Agrément South Africa is a small sized organization with a staff compliment of approximately 35 employees. The Agrément South Africa head office is located at CSIR Campus, Meiring Naude Road, Brummeria, Pretoria

2 OBJECTIVE

The objective of this project is for a short-term insurance provider to provide comprehensive insurance coverage for the office content on the asset register and other related services.

2.1. Insurance brokerage services

2.2. Claim Management services

3 PROJECT/ CONTRACT PERIOD

The contract period for this project will be from 1 August 2021 to 31 July 2023 (24 Months).

4 SCOPE OF PROJECT

4.1. Skills and Knowledge

4.1.1. The bidder must have the necessary skills, knowledge and market relationships to offer innovative and visionary best practice solutions in regard to Agrément South Africa's existing insurance program and to challenge our current approach to risk transfer.

4.1.2. The bidder must be able to negotiate value added and innovative solutions to Agrément South Africa.

4.1.3. The bidder must be able to review and assess Agrément South Africa's current profile of insured risks, including the adequacy of the current insurance program.

4.2. Performance Specification

The successful bidder should be able to provide the following general insurance actions in terms of claims handling, maintenance, and administration of the Agrément South Africa insurance portfolio, for example reimbursement of claims and any other necessary requirements:

4.2.1. Set up internal and external discussions on the renewal and maintenance Strategy with Agrément South Africa

4.2.2. Provide a dedicated Account Manager/Administrator for claims processing

4.2.3. Provide a clear procedure for claim submission and administration

4.2.4. 30 days turn-around time on the processing and outcome of claims

- 4.2.5. Service structure for day-to-day correspondence and queries
- 4.2.6. Monitor premium payments and refunds in accordance with accounts and statements

4.3. Monitoring progress on deliverables

- 4.3.1. Provide a monthly policy schedule report indicating the deleted and added items for the month under review
- 4.3.2. Quarterly insurance review meetings
- 4.3.3. Provide quarterly claim history
- 4.3.4. Management reporting including the identification of bottlenecks and tracking problems claims amongst other matters

4.4. Expected Outcomes

- 4.4.1. The provision of cost effective, efficient insurance brokerage services to the Agrément South Africa in line with the best practice, statute requirements and to the satisfaction of Agrément South Africa.
- 4.4.2. Assisting the Agrément South Africa with claims handling, annual policy renewal and reporting obligations and all other aspects pertaining to insurance.
- 4.4.3. The successful bidder must allow for policy considerations by making provisions for ad-hoc adjustments and endorsements due to extending the coverage to include newly acquired assets and the increased value of assets
- 4.4.4. Update the Agrément South Africa with the latest amendments or legislations on insurance
- 4.4.5. Stolen or lost report assets will be reported within a period of 30 days by Agrément South Africa to the provider.

4.5. Technical Specifications

The successful bidder will be expected to address the following risks areas;

- 4.5.1. Business risks
- 4.5.2. Business Interruption and recovery
- 4.5.3. Public Liability
- 4.5.4. Group personal accident
- 4.5.5. Office contents
- 4.5.6. Fire section
- 4.5.7. Computer/Electronic Equipment

5 CONTENT OF SUBMISSIONS - VERY IMPORTANT

- 5.1 Provide a proposal as per the scope of work above
- 5.2 Organizational chart of the firm indicating all office locations, identifying the personnel that will be responsible for managing and/or administration of the Agrément South Africa account.
- 5.3 Provide the following regarding qualifications, expertise, skills, experience:
 - 5.3.1. Three (3) abridged CV's, including the Brokers or the dedicated person who will handle the Agrément South Africa account, with relevant experience.
 - 5.3.2. Diploma, Degree or equivalent qualification in the insurance sector for the Broker or the person that will manage the Agrément South Africa account (Eg. Finance Qualifications - Bcom Accounting, Bcom Finance, General Bcom, Bcom Insurance, Actuarial Science, LLB or any qualifications obtained through the Insurance Institute of South Africa).
- 5.4 Company profile highlighting B-BBEE status (shareholding and Management) Details of previous experience where insurance brokerage services was provided for a period of five (5) years.
- 5.5 The Agrément South Africa requires written references from at least three (3) companies where the same services have been rendered for the period between 2018 and 2020 (letters must not be older than three (3) years). Reference letters must be on a company letterhead, must be signed and dated with contactable telephone numbers, description of work performed, and dates of engagement/ services rendered.
- 5.6 Proof of accreditation with the Financial Sector Conduct Authority (FSCA).
- 5.7 Proof of membership with the South African Insurance Brokers Association.
- 5.8 Proof of registration on the Central Supplier Database hosted by National Treasury;
- 5.9 Provide detailed pricing as per Annexure A. The Agrément South Africa Asset Register is attached (see Annexure B) and summarise same on SBD3.3 form.
Failure to comply with submission disqualifies the submission
- 5.10 Any additional service offering relevant to the scope of work
- 5.11 Fully completed and signed SBD 1; 4, 3.3, 6.1,7.2; 8,9 forms and Annexure A.
- 5.12 Bidders to indicate if there will be any subcontracting and also indicate the percentage (%) on the SBD 6.1 form.
- 5.13 Certified ID copies of all directors of the company;
- 5.14 Certified copy of valid BBBEE certificate, CIPC BBBEE certificate or affidavit. BBBEE Certificate issued by CIPC will be verified with CIPC.
- 5.15 In instances of a joint venture /consortium the Joint Venture Certificate must be included (indicating the percentage of duties for all companies in the joint

venture). The consolidated joint venture B-BBEE Certificate must be submitted in order to claim points. However, for a subcontractor the B-BBEE certificate of both the contractor and subcontractor must be submitted.

6 REQUIREMENTS

- 6.1 Bidders must have five (5) years' experience in the insurance Brokerage industry.
- 6.2 Bidders must prove capacity to undertake a project of this nature and capacity to deliver as required by including their Broker and proposed team with the relevant qualifications and experience of three (3) personnel's.
- 6.3. Bidders must provide three (3) letters of reference from clients where work of a similar nature was undertaken during the period between May 2018 and December 2020.
- 6.4. Bidders must have the necessary approvals and accreditation from applicable authorities and accreditation bodies to provide insurance brokerage services.
- 6.5. Bidders must include the procedure elaborating the claims process and turnaround times.

6.6. SCORING GRID (TO BE LINKED WITH EVALUATION PROCESS UNDER 10)

No	Requirement	Criteria	Score
6.6.1.	Five (5) years of experience in the insurance Brokerage industry.	Five (5) years	5
		Only three (3) to Four (4) years	3
		Less than three (3) years	0
6.6.2.	Bidders must prove capacity to undertake a project of this nature and capacity to deliver	Three (3) CV's with relevant qualifications and experience including the Broker	5

	as required by including their Broker and proposed team with the relevant qualifications and experience of three (3) personnel's.	Less than three (3) CV's with relevant qualifications and experience including the Broker	0
6.6.3.	Three (3) signed reference letters Insurance brokerage services have been rendered between May 2018 and December 2020 (letters must not be older than three (3) years)	Three (3) reference letters on letterhead signed and dated with Insurance brokerage services have been rendered between May 2018 and December 2020). Letters not older than 3 (three) years	5
		Less than three (3) reference letters on letterhead signed and dated where Insurance brokerage services have been rendered between May 2018 and December 2020). Letters not older than 3 (three) Years	0
6.6.4.	Provide documentary proof of registration with FSCA and current membership with the South African Insurance Broker Association	Proof of accreditation with the FSCA and current membership with the South African Insurance Brokers Association.	5
		No Proof of accreditation with the Financial Services Board and current membership with the South African Insurance Brokers Association	0

6.6.5.	Proposal elaborating the claims process and turnaround times.	Proposal elaborating the claims process and turnaround times	5
		No Proposal elaborating the claims process and turnaround times	0

7 BUDGET (COST ESTIMATION)

The 80/20 evaluation criteria will be utilized. This evaluation criteria refers to 80% for Price and 20% for B-BBEE.

8 CLOSING DATE

The closing date for submissions to be considered for this project shall be 04 August 2021, 12:00 noon.

9 PAYMENT TERMS

The Agrément South Africa undertakes to pay valid invoices in full within 30 (thirty) days from receipt of the correct invoice and for work done to its satisfaction upon presentation of a substantiated claim. The Agrément South Africa shall not pay for any unproductive or duplicated time spent by the Bidder on any assignment because of staff changes, inefficiencies, or rework.

10 EVALUATION PROCESS

All bids duly lodged will be evaluated on functionality and price. The evaluation criteria and weighting for measuring functionality are shown below:

No	Criterion	Weighting	Minimum thresholds
10.1.	Provide five (5) years of experience in insurance brokerage services	10%	5%
10.2.	Provide three (3) abridged CV's including their Broker and proposed team with the relevant qualifications and experience	30%	30%
10.3.	Three (3) signed reference letters where same service of Insurance brokerage services has been rendered between	20%	20%

	May 2018 and year 2020 (not longer than three (3) years)		
10.4.	Provide documentary proof of registration with FSCA and current membership of the relevant insurance body of South Africa	30%	30%
10.5.	Proposal elaborating the claiming process and turnaround times.	10%	10%
	TOTAL	100%	95%

The overall minimum threshold for functionality will be 95% where all individual criterion are adhered to.

The evaluation of submitted bids will be conducted as follows:

Firstly, the bids will be evaluated for functionality based on the evaluation criteria and the minimum threshold as shown in the table above. Any bid that fails to meet the overall minimum threshold or has not received a score for any individual component thresholds will be disqualified.

Thereafter, only the qualifying bids will be evaluated in terms of the 80/20 preference points system, where 80 points will be allocated to price only and 20 points will be allocated in line with the bidder's B-BBEE status level of contribution

This will be carried out in accordance with the PPPF Act and as follows;

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

11 NOTES TO BIDDERS

This section outlines basic requirements that must be met. Failure to accept these conditions or part thereof will result in your proposal being excluded from the evaluation process.

- 11.1 Short listed Bidders may be invited to present and discuss details of their proposals.
- 11.2 Bidders should complete the Agrément South Africa tender documents; SBD 1, 3.3, 4, 6.1,7.2,8 and 9 forms before their submissions will be considered.
- 11.3 Proposal documents should be presented to Agrément South Africa marked **“Proposal for Insurance Brokerage Services ”**
- 11.4 The Agrément South Africa will not be liable to reimburse any costs incurred by the bidder during the procurement process
- 11.5 Bidders should identify any work they are currently carrying out or competing for which could cause a conflict of interest, and indicate how such a conflict would be avoided.

12 GENERAL

- 12.1 Submission of the project will be done electronically due to COVID-19 Pandemic on or before **04 August 2021, 12:00 noon** at the email address below;

Dmamaregane@agrement.co.za

- 12.2 Any proposal document received after the closing date and time will not be considered.
- 12.3 All correspondence to bidders will be in writing.
- 12.4 Late submissions will not be considered for this proposal.

DISCLAIMER

The Agrément South Africa reserves the right not to appoint a bidder for this proposal.

The Agrément South Africa shall rescind a bid award or contract should a bidder be found to have violated Supply Chain Practices.

The Agrément South Africa does not bind itself to accept the lowest proposal.