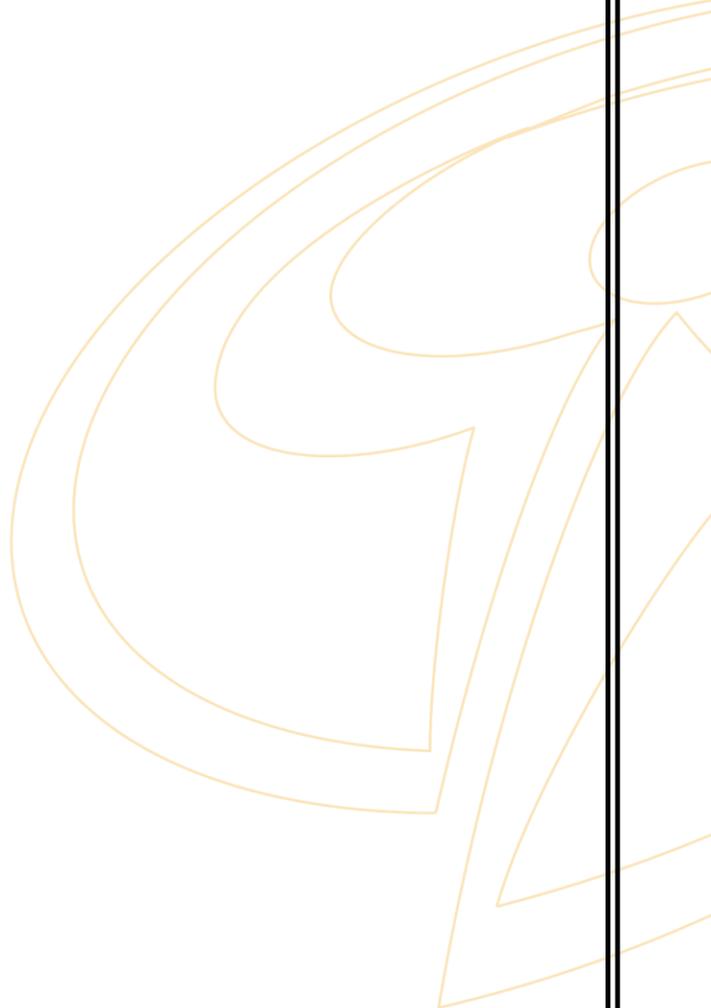


TERMS OF REFERENCE

DESCRIPTION: APPOINTMENT OF TRAVEL MANAGEMENT COMPANY (TMC) TO PROVIDE PROPOSALS FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF THREE (3) YEARS.



1. BACKGROUND

- 1.1 The **Insurance Sector Education and Training Authority (INSETA)** is a public entity listed schedule 3A of the PFMA and was established in March 2000. The INSETA must, in accordance with any prescribed requirements to perform in accordance with the Skills Development Act (SDA), the Skills Development Levies Act (SDLA) any other relevant legislation and the Constitution.
- 1.2 **Insurance Sector Education and Training Authority (INSETA)** has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).
- 1.3 The objective of this request is to appoint a professional and accredited service provider to provide a Travel Management Service to INSETA (*as and when required*) for a period of three (3) years.

2. SITUATION ANALYSIS

- 2.1 **Insurance Sector Education and Training Authority (INSETA)** currently uses **XL Nexus Travel Management** to manage the travel requisition and travel expense processes within the travel management lifecycle. The travel requisition process is currently a semi-automated process. The travel requisition is manually captured on forms that go through a manual authorisation approval procedure and are then forwarded to the **INSETA** travel co-ordinator. The **INSETA** travel co-ordinator captures the requisition into **XL Nexus Travel** which goes through an approval workflow process and then through to the travel management company for travel booking.
- 2.2 **INSETA's** primary objective in issuing this RFP is to enter into agreement with a successful bidder(s) who will achieve the following:
 - 2.2.1 Provide **INSETA** with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels.
 - 2.2.2 Achieve significant cost savings for **INSETA** without any degradation in the services.
 - 2.2.3 Appropriately contain **INSETA's** risk and traveller risk.

2.3 The current **INSETA** total volumes per annum includes air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions for the FY **2021/2022** as follows:

Service Category	Estimated Expenditure per Annum	Estimated No of Turns per Annum
Accommodation (Acc)	R270 136,62	98
Accommodation Bill Back Fee (Bbf)	R6 510,00	97
Accommodation Service Fee (Asf)	R8 556,00	97
After Hours Domestic (Aft)	R5 175,00	10
Car Hire (Car)	R257 330,66	151
Car Hire Billback Fee (Cbb)	R5 040,00	74
Car hire Service Fee (Csf)	R5 336,00	60
Conference (Con)	R723 567,73	7
Conference Billback Fee (Cob)	R210,00	3
Domestic Air Travel (Dom)	R0,00	118
Domestic Airline (Dms)	R693,81	1
Domestic Service Fee (Dsf)	R13 202,00	100
Fuel Charges (Fue)	R8 856,13	13
Insurance (Ins)	R450,00	1
International Air Travel (Int)	R24 597,76	5
International Air Travel S/Fee (Inf)	R700,00	4
Parking (Prk)	R9 000,00	19
Parking Bill Back Fee (Pbb)	R1 330,00	19
Parking Service Fee (Par)	R546,25	19
Transfer Bill Back Fee (Tbb)	R70,00	1
Transfer Service Fees (Tsf)	R488,75	17
Transfers (Trf)	R36 040,00	17
Grand Total	R1 377 836,71	931

Note: These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

3. DELIVERABLES

3.1 The travel services will be provided to all Travellers travelling on behalf of **INSETA**, locally and or internationally. This will include employees and contractors, consultants, and clients (*not limited*) where the agreement is that **INSETA** is responsible for the arrangement and cost of travel.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO **INFLUENCE AND INSPIRE!**

- 3.2 Provide travel management services during normal office hours (Monday to Friday 8h30 – 17h00) and provide after hours and emergency services as stipulated in paragraph above.
- 3.3 Familiarisation with current **INSETA** travel business processes.
- 3.4 Familiarisation with current travel suppliers and negotiated agreements that are in place between **INSETA** and third parties. Assist with further negotiations for better deals with travel service providers.
- 3.5 Familiarisation with current INSETA Travel Policy and implementations of controls to ensure compliance.
- 3.6 Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- 3.7 Provide a facility (web based on-line booking tool) for **INSETA** to update their travellers' profiles and implement bookings as well as required approvals.
- 3.8 Manage the third-party service providers by addressing service failures and complaints against these service providers.
- 3.9 Consolidate all invoices from travel suppliers.
- 3.10 Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

4. RESERVATIONS

4.1 The Travel Management Company will:

- 4.1.1 Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel Booker and traveller via the agreed communication medium always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel Booker.
- 4.1.2 Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.
- 4.1.3 Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits. (*Where applicable, approval must be sort, for less than 3 quotations*)
- 4.1.4 Book the negotiated discounted fares and rates where possible, must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flights schedules prior to or during the traveller's official trip.
- 4.1.5 When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.

EMPOWERED TO **INFLUENCE** AND **INSPIRE!**

- 4.1.6 Book parking facilities at the airports where required for the duration of the travel.
- 4.1.7 Respond timely and process all queries, requests, changes, and cancellations timeously and accurately.
- 4.1.8 Must be able to facilitate group bookings (e.g., for meetings, conferences, events, etc.)
 - a) Must issue all necessary travel documents, itineraries, and vouchers timeously to traveller(s) prior to departure dates and times.
 - b) Advise the Traveller of all visa and inoculation requirements well in advance.
 - c) Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
 - d) Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- 4.1.9 Facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.
- 4.1.10 Note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.
- 4.1.11 Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- 4.1.12 Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by **INSETA** are non-commissionable, where commissions are earned for **INSETA** bookings all these commissions should be returned to **INSETA** on a quarterly basis.
- 4.1.13 Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by **INSETA**.
- 4.1.14 Timeous submission of proof that services have been satisfactorily delivered (invoices) as per **INSETA's** instructions

5. AIR TRAVEL

- 5.1 The TMC must be able to book full-service carriers as well as low-cost carriers.
- 5.2 The TMC will book the most cost-effective airfares possible for domestic travel, for international flights, the airline which provides the most cost-effective and practical routings may be used.
- 5.3 The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- 5.4 The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- 5.5 Airline tickets must be delivered electronically (SMS and/or email format/or any other application or platform) to the traveller(s) and travel bookers promptly after booking before the departure times.

- 5.6 The TMC will also assist with the booking of charters for VIPs (Very Important People/Persons) utilising the existing transversal term contract where applicable as well as the sourcing of alternative service providers for other charter requirements.
- 5.7 The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- 5.8 The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.
- 5.9 Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- 5.10 Assist with lounge access if and when required.
- 5.11 Negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or **INSETA**.
- 5.12 Accommodation vouchers must be issued to all **INSETA** travellers for accommodation bookings and must be invoiced to **INSETA** as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.
- 5.13 The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- 5.14 Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

6. ACCOMMODATION

- 6.1 The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- 6.2 The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller. *(Where applicable or seek approval where less than 3 quotations are obtained)*
- 6.3 This includes planning, booking, confirming, and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with **INSETA's** travel policy.
- 6.4 Travellers may only stay at accommodation establishments with which **Inseta Sector Education and Training Authority (INSETA)** has been negotiated by TMC which must obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO **INFLUENCE AND INSPIRE!**

- 6.5 The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller
- 6.6 This includes planning, booking, confirming corporate rates.
- 6.7 Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and Conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or **INSETA**.
- 6.8 Accommodation vouchers must be issued to all **INSETA** travellers for accommodation bookings and must be invoiced to **INSETA** as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.
- 6.9 The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- 6.10 Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

7. CAR RENTAL AND SHUTTLE SERVICES

- 7.1 The TMC will book the approved category vehicle in accordance with the **INSETA** Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue). *(Any penalties in the form of the travel fines must sent to the individual must be billed to the driver of the vehicle)*
- 7.2 The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- 7.3 The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages, and accidents, etc.
- 7.4 For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses, and transfers.
- 7.5 The TMC will book transfers in line with the **INSETA** Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services etc.
- 7.6 The TMC should manage shuttle companies on behalf of the **INSETA** and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.
- 7.7 The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO **INFLUENCE** AND **INSPIRE!**

8. AFTER HOURS AND EMERGENCY SERVICES

- 8.1 The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.
- 8.2 A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.
- 8.3 After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h30) and twenty-four (24) hours on weekends and Public Holidays.
- 8.4 A call centre facility or after hours contact number (SMS and/or email format/or any other applications or platform) should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- 8.5 The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

9. COMMUNICATION

- 9.1 The TMC may be requested to conduct workshops and training sessions for Travel Bookers of **INSETA** with +/- 150 employees. *(Must be included in the total cost for the duration of the contract – as and when required)*
- 9.2 All enquiries must be investigated, and prompt feedback be provided in accordance with the Service Level Agreement.
- 9.3 The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel management company in one smooth continuous workflow.

10. FINANCIAL MANAGEMENT

- 10.1 The TMC must implement the rates negotiated by **INSETA** with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- 10.2 The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to **INSETA** for payment within the agreed time period.
- 10.3 Enable savings on total annual travel expenditure and this must be reported, and proof provided during monthly and quarterly reviews.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO INFLUENCE AND INSPIRE!

- 10.4** The TMC will be required to offer a 30-day bill-back account facility to institutions should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices **INSETA** for the services rendered.
- 10.5** Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- 10.6 Consolidate Travel Supplier bill-back invoices.**
- 10.7** In certain instances where institutions have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.
- 10.8** The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to **INSETA's** Financial Department on the agreed time period (e.g., weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
- 10.9** Ensure Travel Supplier accounts are settled timeously.

11. TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING

- 11.1** The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- 11.2** The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.
- 11.3** All management information and data input must be accurate.

12. VALUE ADDED SERVICES

The TMC must provide the following value-added services:

Destination information for regional and international destinations:

- 12.1** Health warnings.
- 12.2** Weather forecasts.
- 12.3** Places of interest.
- 12.4** Visa information.
- 12.5** Travel alerts.
- 12.6** Location of hotels and restaurants.
- 12.7** Foreign exchange
- 12.8** International Roaming Charges
- 12.9** Information including the cost of public transport.
- 12.10** Rules and procedures of the airports.
- 12.11** Business etiquette specific to the country.
- 12.12** Airline baggage policy; and

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO **INFLUENCE** AND **INSPIRE!**

- 12.13 Supplier updates
- 12.14 Insurance cover (international trips)
- 12.15 Electronic voucher retrieval via web and smart phones.
- 12.16 SMS notifications for travel confirmations.
- 12.17 Travel audits.
- 12.18 Global Travel Risk Management.
- 12.19 VIP services for Executives that include but is not limited to check-in support.

13. COST MANAGEMENT

- 13.1 The National Treasury cost containment initiative and the **INSETA's** Travel Policy is establishing a basis for a cost savings culture.
- 13.2 It is the obligation of the TMC Consultant to always advise on the most cost-effective option, and costs should be within the framework of the National Treasury's cost containment instructions.
- 13.3 The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility, and traveller satisfaction.
- 13.4 The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with **INSETA's** Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

14. QUARTERLY AND ANNUAL TRAVEL REVIEWS

- 14.1 Quarterly reviews are required to be presented by the Travel Management Company on all **INSETA** travel activity in the previous three-month period. These reviews are comprehensive and presented to **INSETA's** Supply Chain Manager and Financial Manager as part of the performance management reviews based on the service levels.
- 14.2 Annual Reviews are also required to be presented to **INSETA's** Senior Executives. (Chief Financial Officer)
- 14.3 These Travel Reviews will include without limitation the following information: Institution to list the information that will be required. The reporting requirements in the National Treasury Instruction 3 of 2016/2017 (Cost Containment Measures related to Travel & Subsistence) may be used as minimum.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

CEO: G. Mkhize

EMPOWERED TO **INFLUENCE AND INSPIRE!**

15. OFFICE MANAGEMENT

15.1 The TMC to ensure high quality service to be always delivered to the **INSETA's** travellers.

15.2 The TMC is required to provide **INSETA** with highly skilled and qualified human resources of the following roles but not limited to:

- 15.2.1 Senior Consultants – To handle all INSETA executive and board travel
- 15.2.2 Intermediate Consultants – to handle all INSETA staff and other travellers
- 15.2.3 Junior Consultants
- 15.2.4 Travel Manager (Operational)
- 15.2.5 Finance Manager / Branch Accountant
- 15.2.6 Admin Back Office (Creditors / Debtors/ Finance Processors)
- 15.2.7 Strategic Account Manager (per hour)
- 15.2.8 System Administrator (General Admin)

16. TIMEFRAMES

16.1 The successful bidder will be appointed for a period of three (3) years.

17. CONTRACTUAL OBLIGATION

- 17.1 Bidders to fully complete *Standard Bid Document (SBD)* 3.3 including all applicable costs including all applicable taxes i.e., Value Added Tax)
- 17.2 In the case of the service provider using sub-contractors, the former will be responsible for ensuring delivery of services from any such sub-contractors and for making any payments to such sub-contractors.
- 17.3 Bidders are required to fully comply with the relevant SCM Legislative Framework as well as application of regulatory prescripts.
- 17.4. Bidders are also required to take all reasonable steps to protect information, in line with the provisions of the POPIA 4 of 2014.
- 17.5 **Bidder will be subjected to annual and quarterly review in terms of measuring satisfactory performance and shall invoke applicable penalties as per contract terms and conditions, where there is unsatisfactory performance.**
- 17.6 The successful bidder will be required to have adequate professional indemnity as well as liability insurance in place (upon parties contracting).

18. ABSENCE OF OBLIGATION & CONFIDENTIALITY

18.1 No legal or other obligation shall arise between the service provider and INSETA unless or until both parties have signed a formal contract or Service Level Agreement in place.

18.2 The Contract site is at **INSETA (as and when required)**.

Board Members: Mr. J.S. Ngubane (Chairperson), Ms. V. Pearson (Business), Ms. L. van der Merwe (Business), Ms. R.G. Govender (Business), Ms. P. Mendes (Business), Ms. Z. Motsa (Business), Mr. M. Soobramoney (Labour), Mr. J.J.M. Mabena (Labour), Ms. S.A. Anders (Labour), Mr. C.B. Botha (Labour), Ms. S.T. Dinyake (Labour), Ms. N.B. Jonas (Labour)
Ms. F. Mabaso (Government), Mr. S.M. Mpuru (Community Organisation)

EMPOWERED TO **INFLUENCE AND INSPIRE!**

19. WORKMEN AND SUPERVISION ON SITE

19.1 The service provider shall be held responsible for the conduct of his employees and the conduct of his sub-contractor's employees for the full duration of the contract.

20. PREQUALIFICATION CRITERIA (Phase 1)

20.1 The Standard Bid Document (SBD 4) forms as annexured to this BID must be fully completed, signed by the authorized company representative.

20.2 Proof of registration on full CSD report (**Central Supplier Database**)

20.3 Bidder to provide a valid BBBEE Certificate (**accredited only by SANAS**) or Sworn Affidavit (DTI or CIPC template).

Note: All bidders who do not comply with the items listed above will be disqualified.

21. MANDATORY CRITERIA (Phase 2)

21.1 The bidder must provide a **valid proof of a membership certificate** of **ASATA** (Association of South African Travel Agents). – *valid applies as at closure and duration of the validity of the bid (120 days).*

21.2 The bidder must provide a **valid proof of membership certificate or license** of International Air Association (**IATA**). – *valid applies as at closure and duration of the validity of the bid (120 days).*

Note: All bidders who do not comply with the items listed above will be disqualified.

22. EVALUATION CRITERIA (Phase 3)

22.1 Responses will be evaluated using a predetermined set of evaluation criteria. The evaluation criteria are designed to reflect the INSETA's requirements in terms of identifying a suitable service provider and ensure the selection process is transparent and affords all the bidders a fair opportunity for evaluation and selection.

22.2 Functional Evaluation threshold (Phase 3a)

22.2.1 The tender submission will be functionally evaluated out of a **minimum of 70 points for the paper-based evaluation– any bidder who scores less than minimum 70 points** will not be considered for further evaluation (**demonstration - Phase 3b**) which will be scored out 20 points.

22.2.2 The total maximum score for the paper-based evaluation and the demonstration is 100 points.

22.2.3 The bidder who then scores accordingly will be evaluated in terms of Price and BBEE.

Evaluation Area	Evaluation Criterion	Maximum Points
Bidders Experience: Bidder's proven competency in rendering the required services, including on-line booking tool.	Bidder must provide reference letters from at least three (3) contactable existing clients (<i>within past 3 years</i>) rendering travel management services including an on-line booking tool. (<i>The reference letter must be signed, dated, on a company letterhead of the referee and must have contactable email address</i>) <ul style="list-style-type: none"> - Minimum 3 reference letters from existing client (past 3 years) = 5 points - Above 3 reference letters from existing client (past 3 years) = 10 points Non-compliance with minimum points = 0 points INSETA reserves the right to conduct due diligence in terms of the reference letters submitted	10
Methodology and transition/project implementation plan: The bidder to demonstrate detailed approach, methodology and transition plan aligned to timeframes (Project plan) to be adopted in the contract.	Bidder must provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider (NEXUS) and the client (INSETA) to ensure a smooth transition. <ul style="list-style-type: none"> - Description of your reservations processes, group bookings, afterhours and emergency services in detail, including applicable turnaround times. - Description of your communication process where the traveller, travel co-ordinator/booker and travel management company will be linked in one smooth continuous workflow and how you will ensure that travel bookers are informed of the travel booking processes, including applicable turnaround times. - An overview of your back-office processes, describe roles and responsibilities of assigned staff and provide the staff structure for this account, including applicable turnaround times. 15 = points Non-compliance with allocated points = 0 points	15
Financial Management	<ul style="list-style-type: none"> - Bidder must describe how implementation of negotiated rates and maximum allowable rates established by the National Treasury. - Bidder must describe how the 30-day bill-back account facility will be managed, timing and deliverables. - Bidder must describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities. - Bidder must describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to INSETA. - Please describe credit card reconciliation process, timing, and deliverables. 15 = points Non-compliance with allocated points = 0 points	15
Technology, Management Information and Reporting	Bidder must provide methodology with the following details: <ul style="list-style-type: none"> - The proposed booking system which includes access, user rights, approval workflows (integration with the INSETA) approval levels, allowance for accounting and reporting as and when required. - Bidder must describe how INSETA travel consultant/ users' access and book web airfares, and hotel web rates. - Bidder must describe how you will manage data and management information (<i>in compliance with the POPI Act 4 of 2014</i>) such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, and transaction level data. - Bidder must provide actual examples of standard reports currently have available and examples of customised reports and dashboards. - Bidder must provide monthly reporting requirement as prescribed by National Treasury. 15 = points Non-compliance with allocated points = 0 points	15

Evaluation Area	Evaluation Criterion	Maximum Points
Account Management and Customer Satisfaction procedure	<p>Bidder must provide the proposed Account Management structure / organogram.</p> <p>Bidder must describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service.</p> <p>Bidder must provide describe how queries, requests, changes and cancellations will be handled.</p> <p>Bidder must detail mitigation and issue resolution process and a detailed response indicating performance standards with respect to resolving service issues as well as Bidder must detail how the service levels are managed including customer satisfaction surveys – and provide an example of a customer satisfaction survey.</p> <p>Bidder must indicate what workshops/training will be provided to Travel consultant and Travel Bookers of INSETA.</p> <p>15 = points Non-compliance with allocated points = 0 points</p>	15
Cost Management and Value-Added Services	<p>Bidder must describe how cost savings will be realised savings on annual travel spend and detailed strategic cost savings 5 = points</p> <p>Bidder must provide detailed information on any value-added services on offer. 10 = points</p>	10
Total		80

22.3 Demonstration Evaluation Criteria (Phase 3b)

22.3.1 The evaluation is based on functionality of the services and booking tool, which will be evaluated using the following and maximum **20 points**.

22.3.2 Bidders will be give 24 hour notice to come and demonstrate the online booking tool. The demonstrations will be held at the INSETA offices (37 Empire Road, Parktown Johannesburg)

Evaluation Area	Functional Criteria	Maximum Points
Demonstration	<p>Bidder must demonstrate an Online booking system reflecting the following: = 20 points</p> <ul style="list-style-type: none"> - Access, user rights, approval workflows (integration with the INSETA) approval levels - How INSETA travel consultant/ users' access and book web airfares, and hotel web rates. - Data management information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour (dashboard), and transaction level data. - Standard reports currently have available and examples of customised reports and dashboards. - Reporting requirement as prescribed by National Treasury. <p>Noncompliance with full criteria 0 = points</p>	20
Total		20

22.3.2 Bidders who obtain less than the threshold of **20 points** will be declared non- responsive and therefore will not be eligible for evaluation Price and BBBEE.

22 Preference Evaluation

22.1 BBBEE and Price

As the tender **price is estimated to be between R30 000 and R50 million including VAT**, the tender responses will be evaluated on the **80/20**-point system.

23 ADJUDICATION USING A POINT SYSTEM

- 23.1** The bidder obtaining the highest number of total points will be awarded the contract unless objective criteria justify the award to another bidder.
- 23.2** Preference points shall be calculated after process has been brought to a comparative basis taking into account all factors of non-firm prices.
- 23.3** In the event that two or more bids have scored equal points in terms of price and preference points for BBBEE, the successful bid must be the one scoring the highest number of preference points for BBBEE - in terms of INSETA Supply Chain Management Policy and Procedures.
- 23.4** However, when functionality is part of the evaluation process and two or more bids have scored equal points for BBBEE, the successful bid must be the one scoring the highest score for functionality.
- 23.5** Should two or more bids be equal in all respect; the award shall be decided by the drawing of lots.

24 POINTS AWARDED FOR PRICE AND BBBEE PREFERENCE POINT

The **80/20** preference point system

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

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

P min

Where:

- P_s = Points scored for comparative price of bid under Consideration
- P_t = Comparative price of bid under consideration
- P_{min} = Comparative price of lowest acceptable bid

25 B-BBEE PREFERENTIAL POINTS WILL BE AWARDED AS FOLLOWS:

B-BBEE Status Level of contributor	Number of points 80/20 system
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 25.1** Bidders who qualify as EME's and QSE's in terms of the B-BBEE Act must submit a Sworn affidavit. Misrepresentation of information constitutes a criminal offence.
- 25.2** Bidders other than EME's or QSE's must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by SANAS.
- 25.3** Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

26 Consortium

- 26.1** A consortium is an association of two or more individuals, companies, organisations or governments (or any combination of these entities) with the objective of participating in a common activity or pooling their resources for achieving a common goal.
- 26.2** A consortium requires that each participant retains its separate legal status and the consortium's control over each participant is generally limited to activities involving the joint endeavour, particularly the division of profits. A consortium is formed by contract, which designates the rights and obligations of each member.
- 26.3** In a consortium, only the lead bidder's credentials both in terms of financial and technical qualifications are considered. Therefore, the interpretation and application to a RFQ/Bid process is such that the lead partner is identified, and the following requirements are required as follows:
- a) Lead Partner**
- All administrative documents (consortium agreement between the lead partner and the partner)

- Technical requirements (which will show in the proposal and other requirements why the need for the consortium, which for all intent and purpose fulfils the requirements of the bid through combination of skills)

b) Partner

- Proof of CSD registration.
- Tax Pin.
- BBBEE Sworn-Affidavit.
- SBD 4

26.4 It should be taken into cognisance that although the lead partner is the qualifying entity, the partner should prove that it can do business with state-owned entities, through CSD registration, proof that the taxes are compliant, its level of BBBEE status in order to align with the BBBEE status level required by the BID, declare interest and answer questions that it is not a disqualified entity with the National Treasury. The foregoing ensures compliance from an SCM process perspective that the consortium is in order.

26.5 Of importance is that in a consortium, each individual team members retain their identities.

26.6 A joint venture

26.6.1 venture is a business entity created by two or more parties, generally characterized by shared ownership, returns and risks and shared governance.

27. Incorporated Joint Venture:

27.1 SCM documents are filled in by the joint venture in the name of the joint venture, although the submission of administrative documents (partnership agreement between parties) will be completed in the name of the joint venture, and the following will be required from both parties, amongst others

- a) SBD 4
- b) SBD 6
- c) Tax pin
- d) CSD registration.
- e) The JV agreement will direct which bank account of the two entities will be used.
- f) Consolidated Joint BBBEE Certificate.

28 Incorporated Joint Venture

28.1 This aligned to a registered entity or company. A registered entity/ company with a consolidated BBBEE certificate and a bank account in the name of the Joint venture. The required compliance documents must be complete by the entity/ company the name of the joint venture, and the following will be required amongst others

- a) SBD 4
- b) SBD 6
- c) Tax pin
- d) CSD registration.

Working together for a skilled tomorrow

- e) The JV agreement will direct which bank account of the two entities will be used.
- f) Consolidated Joint BBBEE Certificate.

28.2 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder 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 bidder qualifies for, unless the intended Sub-contractor is an EME that has the capacity and the ability to execute the sub-contract.

28.3 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 equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capacity and the ability to execute the sub-contract.

29. COMMUNICATION

29.1 Respondents are warned that a response will be disqualified should any attempt be made by a bidder either directly or indirectly to canvass any officer(s) or employees of INSETA in respect of BID process, between the closing date and the date of the award of the business.

All enquiries relating to this BID should be emailed **three days before the closing date.**

30 CONDITIONS TO BE OBSERVED WHEN BIDDING

The organization does not bind itself to accept the lowest or any BID, nor shall it be responsible for or pay any expenses or losses which may be incurred by the bidder in the preparation and delivery of his BID submission. The organization also reserves the right to withdraw or cancel the BID at any stage.

No BID shall be deemed to have been accepted unless and until a formal contract / letter of award is prepared and executed.

The competitive shall remain open for acceptance by the Organization for a period of **120 days** from the closing date of the BID Enquiry.

INSETA reserves the right to:

- 30.1** Not evaluate and award a bid that do not comply strictly with this BID document.
- 30.2** Make a selection solely on the information received in the Bid Document and Enter into negotiations with any one or more of preferred bidder(s) based on the criteria specified in the terms of reference.
- 30.3** Contact any bidder during the evaluation process, in order to clarify any information, without informing any other bidders. During the evaluation process, no change in the content of the BID shall be sought, offered or permitted.
- 30.4** Cancel this BID at any time as prescribed in the PPPFA.
- 30.5** Should bidder(s) be selected for further negotiations, they will be chosen on the basis of the cost effectiveness and the principal of value for money not necessarily on the basis of the lowest costs.

Working together for a skilled tomorrow

31 Cost of Bidding

31.1 The bidder shall bear all costs and expenses associated with preparation and submission of its BID submission and the INSETA shall under no circumstances be responsible or liable for any such costs, regardless of, without limitation, the conduct or outcome of the bidding, evaluation, and selection process.

32 Note to Bidders:

32.1 Due diligence to be conducted by INSETA prior to the award of the contract

END OF TERMS OF REFERENCE DOCUMENT

