

# **REQUEST FOR PROPOSAL FOR VALUATION OF THE LIABILITY FOR LONG SERVICE AWARDS 2013/14**

## **Objectives**

The valuation of the liability for long service awards in line with the requirements of International Accounting Standard 19 (IAS 19) for publication in the financial statements for a period of three financial years.

## **Scope of work**

- Assist in setting the assumptions for use in the valuation, based on your industry knowledge, your views of best practice in this regard and any relevant information provided by management
- Calculate the IAS 19 compliant liability and income statement items for the financial year
- Calculate the projected income statement items for the financial year following the year end
- Communicate with external auditors for audit findings based on the report

## **Required Expertise**

A qualified actuary who is a member of Actuarial Society of South Africa

## **Returnable Documentation**

Failure to submit any of the following documents will lead to disqualification of your proposal:

- Certified copy of your company certificate
- Original Valid Tax clearance certificate
- Municipal rates and Taxes
- Certified copy of certificate of membership issued by Actuarial Society of South Africa
- Certified copy of BBBEE certificate issued by the relevant authority( Failure to submit to submit the certificate will be awarded non-compliant points of Zero(0))

Furthermore failure to disclose that you are in the service of state will result in action been taken against you. And should the municipality establish that you are in the service of state your company will be disqualified for further evaluation.

## **Evaluation Criteria**

The proposal will be evaluated based on three stages;

- Administrative( compulsory Attachments)
- Functionality
- Price and BBEE preferential points

Functionality will be evaluated as follows:

The bidder must demonstrate in the proposal the knowledge and expertise of:

- Actuarial Valuations (20) points
- Assumptions to be used (25) points
- Long service Awards (25) points
- Company previous/current projects related to the scope of work with contactable references (30) Points
  - 1 related project (15) points
  - 2 and more related projects (30) points

Minimum points/score for functionality is 60 over 100, anyone who scores below 60 points will be disqualified for further evaluation.

The following conditions shall apply:

Bids/Quotations in sealed envelope written the notice number must be deposited in the Tender box at

Closing date for submissions will be 06 June 2014

**Quotations must be accompanied by valid Tax clearance certificate;**

**CK/Company registration certificate, valid B-BBEE status level certificate from an accredited agency, auditors or accountants**

**Fixed prices must be valid for ninety (90) days. Prices for the two other years must be clear including escalations.**

**VAT MUST BE LEVIED BY VAT REGISTERED SUPPLIERS ONLY.**

**Bidders must specify the duration of work.**

**The municipality is not compelled to accept the lowest bidder in terms of price.**

**Quotations will be evaluated on administrative, functionality and 80/20 point system. Whereas 80 points will be for price and 20 for preference as per PPPFA 2000 and preferential procurement regulations 2011.**

**REQUEST FOR PROPOSAL FOR THE SERVICE OF VALUATION OF THE CLOSURE COSTS OF THE MUNICIPAL LANDFILL SITES**

**Objectives**

**The valuation of the closure costs for Kwaggafontein and Kwamhlanga land fill sites for publication in the financial statements for 2013/14.**

**Scope of work**

A comprehensive report including the following:

- Detailed findings of the investigations
- The methodology followed for the valuation
- The estimated costs for each element of the closure costs
- The discounted provision for closure costs to be included in the financial statements
- A discussion on any changes in the provision compared to the previous financial statements
- The required disclosures to be included in the financial statements in accordance with GRAP 19
- Detailed recommendations on management actions that could reduce the closure provision in future and the financial effect of each suggested action

**The valuation must take the following into account, and be reflected in the report:**

- It must be based on the minimum requirements for waste disposal by landfill ( DWAF,1998), as amended by subsequent regulations
- All the costs related to the closure of the landfill including planning for closure, rehabilitation and closure as well as post closure monitoring
- The effect of variable factors on the various elements of the closure costs, including current management actions
- The expected remaining life of the landfill sites
- Discounting of the future value of the closure costs
- Compliance with the Standard of Generally Recognised Accounting Practice ( GRAP ) 19 Provisions, Contingent liabilities and contingent assets.
- A structure, auditable and comparable process for the valuation must be followed
- At least one site visit per landfill site.

**The bid must include the following**

A technical proposal how the valuation will be performed, including suggested scheduling

The professional team that will be responsible for performing the valuation

Relevant previous experience of the bidder

Confirmation of BBBEE Status certificate

Cost breakdown, including a separate indication of daily rates, number of working days involved and travelling costs, as well as VAT

Requirements for documentation and information to be provided by the municipality

Original Valid Tax Clearance certificate

### **Required Expertise**

Certificate of Registration as Professional Natural Scientist in the Environmental Science practice

Certificate of professional membership of the Southern African Institute of Ecologists and Environmental Scientists ( SAIEES)

### **Timeframe**

The final report must be submitted within five (5) weeks of commencing with the project.

### **Evaluation Criteria**

Evaluation of the bid/ proposal will be based on the following stages:

- Administrative ( Compulsory Attachments)
- Functionality
- Price and BBBEE preferential points ( 80 points is for price and 20 points for preferential points)

### **Functionality Evaluation will be based on the following:**

<b>Description</b>	<b>Points</b>
Previous/current projects of valuation of closure costs for municipalities with contactable references( Company Experience)	30
Membership of SAIEES/ Professional Natural Scientist in the environmental practice	20
Methodology of valuation of closure costs	20
Project Team Leader( Attach CV)	20
Project implementation Plan with timeframes	10

### **Allocation of points for company experience**

- 0 Projects of valuation of closure costs                      0 points
- 1 project of valuation of closure costs                      10 points
- 2 Projects of valuation of closure costs                      15 points
- 3 Projects of valuation of closure costs                      20 points
- 4 Projects of valuation of closure costs                      25 points
- 5 and more projects of closure costs                      30 points

#### Allocation of points for Project team leader

- |   |           |
|---|-----------|
| • 0 years of relevant experience          | 0 points  |
| • 1 years of relevant experience          | 5 points  |
| • 2 years of relevant experience          | 10 points |
| • 3 years of relevant experience          | 15 points |
| • 4 and more years of relevant experience | 20 points |

**Minimum points/score for functionality is 60 over 100, anyone who scores below 60 points will be disqualified for further evaluation.**

#### Returnable Documents

- A certified copy of company registration certificate
- An Original Valid Tax Clearance certificate
- Certified copy of Certificate of Professional National Scientist in Environmental Science practice
- Certified copy of Certificate of membership of the Southern African Institute of Ecologists and Environmental Scientists
- Certified copy of BBBEE certificate issued by relevant authority
- Municipal rates and taxes that are on current

**Furthermore failure to disclose that you are in the service of state will result in action been taken against you. And should the municipality establish that you are in the service of state your company will be disqualified for further evaluation.**