



Request for Research Proposals: To Conduct Research Study on The Extent of Real Transformation in the Gaming and betting Industry.

1. Background

The Moses Kotane Institute (MKI) is an entity of the KwaZulu-Natal Provincial Government through the Department of Economic Development, Tourism and Environmental Affairs (EDTEA). Its mandate is to provide internationally recognised quality research driving the economic development and innovation in the province. It does this by providing timely and accurate research to support the attainment of radically transformed, inclusive and sustainable economic growth for the province in partnerships with the public and private sector. It is also funded mainly by EDTEA and other stakeholders.

The KwaZulu-Natal gaming and betting board (KZNGBB) is a public entity established by statute to oversee the KwaZulu-Natal Gambling industry in the public interest. This entity regulates the industry through the application of the KZN gaming and betting Act No.8 of 2010.

2. Purpose of Terms of Reference (TOR)

MKI in Partnership with the KwaZulu-Natal Gaming and Betting Board (KZNGBB), would like to appoint a service provider or consortium of service providers, these could either be individuals, companies, institutes of higher learner or research institutes, to conduct a research study on the level and extent of transformation in the gambling and betting industry in KwaZulu-Natal.

The purpose of these TOR's is to outline the bid requirements and scope of work for which either service provider or consortium of service providers can bid for.

3. Objectives of the study

3.1. The main objective of the study is to determine and document the current status of the transformation (B-BBEE and shareholding) and employment within the KZN gambling and betting industry. The rationale of the study is to advise on the status of transformation with respect to participation in:

- a) Ownership
- b) Management Control;
- c) Enterprise and supplier development;
- d) Socio-economic development;
- e) Job creation and skills transfer.

3.2. The study will focus on the following sectors:

- a) Racecourse operators (Gold circle and Ithotho)
- b) Casinos (suncoast, Isibaya, Golden horse, black rock and Umfolozi)
- c) Route operators (KZN slots, V slots, Kingdom slots and luck at it)
- d) All Bookmaking businesses and Licensees.
- e) Bingo Licensees.

4. Scope of work

It is envisaged that this will primarily be a desktop study however, the scope of work may entail using a robust research methodology to assess and define the extent of transformation in the gaming and betting industry within the province during the 2012-2018 financial years.

5. Specific Research Requirements.

- a) Research outcomes should focus on all regulated modes of gambling in KZN.
- b) Provide detailed economic analysis, future projections and expectations of the gaming and betting industry in the province.
- c) Study will be conducted on information contained in the KZNGBB 2012-2018 financial reports. These will be made available upon request.
- d) To assess and provide an analysis on market share and market conduct.
- e) To assess B-BBEE contributor levels and direct employment levels and reaching of set targets based on the sector agreement to reach level 2 by 2015- which licensees have endeavoured to comply to and what were the challenges, consider the future, taking into account the requirements of B-BBEE Act and codes of good practice.
- f) To assess opportunities of improvement and possible expansions of already regulated modes of gaming
- g) To assess the level of black ownership and participation in current ownership of enterprises in the KZN gaming industry per equity (age, gender, income and race), across all sectors in the province.
- h) To Examine economic participation within the KZN gambling industry, i.e. employment (full time and part time), by sector/mode and by employment rates.
- i) Project future employment rates within KZN gambling and betting industry and ascertain the barriers to transformation and job creation.
- j) Examine the overall industry growth performance and the transformation of the gambling industry across different segments in the value-added chain, employment and financial development.
- k) Investigate current economic benefit to licensees, operators and owners.

- l) Assess the procedures in relations to payment of dividends to shareholders and the way dividends are paid out (duration of cycle).
- m) Determine if the current CSI (Corporate Social Investment) spend and approach by the industry is in line with KZN gaming and betting Act.
- n) What generalizable lessons could we learn about the transformation over the years?
- o) Recommendations should be provided on the current status quo.

6. Methodology

Service provider/s or bidders are welcome to demonstrate their expertise by including specific points of research or analysis that may be lacking in meeting the objectives of the project, as well as proposing their own quantitative and qualitative methodologies as part of their bid proposal. The methodology to be employed should be properly motivated illustrating the credibility and limitations of both the methodology as well as outcomes of its applications (the validity and credibility of the findings).

7. Project phases, deliverable and duration

- a) The proposed timeframe for the execution of this project is 6 months from the date of appointment.
- b) Can be extended for a period not more than one month based on performance.
- c) The successful bidder must provide the complete conceptualisation, layout, editing and production of both print and electronic copies of the KZNGBB transformation report 2018/19.
- d) The successful bidder will have to provide:
 - 1. 1 electronic copy to be uploaded on the website.
 - 2. 1 PDF version for internal use
 - 3. 60 copies in hardbound with gold foiling on the cover.
 - 4. 20 copies in CDs
- e) Upon one month of completion, the service provider will have to provide a close-out phase report

8. Profile of Project Manager

8.1. The project manager must have knowledge of;

- a) Gambling and betting industry and environment.
- b) Strategic planning
- c) Enterprise development and transformation industry
- d) Research and research methodologies
- e) KZN gaming and betting Act and procedures.
- f) Insight on the contemporary issues affecting business growth in the province
- g) Provincial entrepreneurial initiatives and impacts.
- h) A broad range of design and methods of impact evaluation.
- i) Public sector
- j) Must have a recognized postgraduate doctoral degree (PhD) in Social Sciences, Humanities, Development, Economics, planning or equivalent.

8.2. Skills related to:

- a) Theories of change, causal mechanisms, change trajectories and contributing factors.
- b) Quantitative and qualitative methods.
- c) Analytical and critical thinking.
- d) Report writing- evaluation reports.
- e) Communication and research facilities
- f) Research project management.

9. Reporting

The appointed service provider will report to the General Manger: Research and Skills development.

10. Proposal Requirements.

Bidders are required to submit a technical and financial proposal.

10.1. *Technical Proposal.*

Bidders are required to describe in detail their understanding of the brief in accordance with the terms of reference. Moreover, they should display in detail their approach, methodology and team organization for achieving the objectives. They should further explain why their approach, methodology and team organization is appropriate to achieve the TOR's. this section should also set out limitations and risks associated with the achievement of this project.

10.2. *personal profiles*

A concise CV with technical qualifications, experience and competency in relation to achieving the respective project goals and associated activities of the work plan, together with traceable references of the project manager / team leader must be provided.

10.3. *Financial Proposal.*

Bidders must compile a financial proposal including the elements listed below;

The financial offer must contain two separate elements.

- a) Budget breakdown
- b) Cashflow forecast- should illustrate what the bidder expects to spend on the project over the 6-month period.
- c) Quotation must be inclusive of all costs and disbursements and must include VAT.
- d) Failure to submit the required information may result in disqualification.

11. Bid Evaluation

Bidders are reminded that the bid will be adjudicated on the 80/20 preference point system. Bidders will also be assessed on their administrative and technical competence. The three stages of evaluation are as follows:

11.1. **Key qualifying requirements of registered service providers**

- a) Must be prepared to travel to KZN

- b) The project manager or service provider or Institution of Higher Learning must operate within a tertiary institution or be linked to a tertiary institution or a research institute.
- c) The service provider or consortium of service providers must submit a valid tax certificate.
- d) A letter from the responsible Head Dean or Head of the Institution confirming the association with the institute should accompany the submission of the bid.
- e) The project manager or service provider or Institution of Higher Learning must have published a minimum of 3 published papers in the last 3 years
- f) CV of the person(s) proposed to head the project.
- g) Certified copies (not older than 3 months) of Identity Documents and qualifications.

11.2. Mandatory requirements

- a) Doctors and Professors.
- b) Candidates must be practising academia.
- c) Be prepared to travel to KZN
- d) A minimum of 5 years' experience in Research.
- e) Submit profile detailing one's experience (in years) in conducting Research. The profile must also include workplan including financial plan and timeframe for the execution of the project. Profile must be attached to CV.
- f) CV must have three contactable references with their email addresses and contact numbers.
- g) Submit certified copies of ID and qualifications. (Certification must not be older than 3 months). (**See Annexure A**)
- h) **NB:** Failure to comply with the above mandatory requirements will lead to disqualification.

11.3. Technical Competence and Compliance: bidders must attain a score of **75** minimum to proceed to the final stage. (**See Annexure B**)

11.4. Price and Preference points (**see Annexure C**)

Bidders scoring the highest points on the price and preference points will be deemed to be successful.

Note: The MKI, however, reserves the right not to appoint a service provider for this project.

All **Administrative queries** may be directed by email to Ms. Sinenhlanhla Ngqulunga: tenders@moseskotane.com or by Tel: 031 266 1777. Hand delivered submissions will NOT be accepted. **The closing date for submissions is 11 January 2019 AT 16H30PM.**

Annexure A

INDIVIDUAL NAME/INSTITUTE OF HIGHER LEARNING	
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ADMINISTRATIVE COMPLIANCE GRID (Y=Yes / N=No)					
#	Document	Submitted	Compliant	Non-Compliant	Not Submitted
1	Valid tax certificate				
2	A letter from the responsible Head of Dean or Head of the institution confirming the association with the institute should accompany the submission of the bid				
3	Submit 3 published peer reviewed research papers in the last 3 years				
4	CVs of the person (s) proposed to handle the project.				
5	CV must have three recent contactable references where the bidder has conducted similar services				
6	Certified copies of IDs (certificate must not be older than 3 months).				

Annexure B: technical competence and compliance

	Score	Evaluator's score
1. showing understanding of the scope of work?	10	
Yes	10	
No	0	
2. Traceable experience in conducting research	0	
Less than 5 years	0	
5-7 years	7	
8 years and above	10	
3. Qualifications of the project leader (Mandatory)	10	
Postgraduate Doctoral Degree (PHD)	10	
Master's Degree	5	
Honors/ Undergrad. (disqualify)	0	
4. Has the Bidder confirmed their willingness to travel to KZN (Mandatory)?	10	
Yes	10	
No(disqualify)	0	
5. Methodology	10	
Research design includes motivation on validity, limitations and risks	10	
Not including the above	0	
6. Experience in management/ leadership of similar projects	10	
Yes	10	
No	0	
7. Publication record	10	
3peer reviewed articles/reports/papers and above	10	
2 peer reviewed articles/reports/papers	3	
1 peer reviewed article/report/paper	1	
8. Submitted a project management plan	10	
yes	10	
No	0	
9. Displayed knowledge of enterprise development and transformation industry.	10	
yes	10	
No	0	
10. Knowledge of KZN Gambling and Betting Act and procedures	10	
yes	10	
No	0	

11. Displayed knowledge of the public sector	10	
yes	10	
No	0	
Total		

Annexure C: price and preference.

Price	BEE points	Total Score

Evaluators comments on strength and Weaknesses

Evaluators signature:

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