

**TERMS OF REFERENCE**  
**ESTABLISHMENT OF A CUSTOMER RELATIONS MANAGEMENT (CRM)**  
**Department of Water and Sanitation**

**1. INTRODUCTION**

The Department of Water and Sanitation (DWS) is mandated by the National Water Act and Water Services Act to perform certain functions on behalf of government. The functions relate to the provision of services related to water and sanitation.

**2. BACKGROUND**

- 2.1 As alluded to in the previous paragraph, The Department of Water and Sanitation hereafter referred to as DWS, has been mandated and tasked with among others the following functions by the National Water Act and the Water Services Act.
- 2.1.1 Both Acts recognise the rights of access to basic water supply and basic sanitation necessary to ensure sufficient water and an environment not harmful to health or well-being.
- 2.1.2 Being the custodian of the nation's water resources.
- 2.1.3 Protecting the water resources.
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- 2.1.3 Protecting the water resources.
- 2.1.4 Acknowledging that all spheres of Government must ensure that water supply services and sanitation services are provided in a manner which is efficient, equitable and sustainable.
- 2.1.5 Taking overall responsibility for and authority over the nation's water resources and their use, including the equitable allocation of water for beneficial use, the redistribution of water, and international water matters. This is achieved through a system of issuing water use authorisations to all needy water users.
- 2.1.6 Recognising that the ultimate aim of water resource management is to achieve the sustainable use of water for the benefit of all.
- 2.1.7 Recognising that the protection of the quality of water resources is necessary to ensure sustainability of the nation's water resources in the interests of all water users.
- 2.1.8 Recognising the need for an integrated management of all aspects of water resources and sanitation services and where necessary, delegate management functions to regional level to enable everyone to participate. This is achieved through establishment of water management institutions at local levels.
- 2.1.9 Ensuring that water resources are made available for all uses in the country, e.g. economic, domestic and industrial uses.

2.2 In order to carry out this mandate effectively, DWS has to:

- Construct or build new infrastructure for water related services.
- Establish Water Management Institutions in order to manage water at local level.
- Maintain the entire water infrastructure and ensure that the quality of water is safe for human and other uses.
- Register and authorise water users who draw water from any of the nation's water resources.

2.3 DWS is also mandated to ensure that proper sanitation is provided for all citizens of the country. This can be achieved by either supporting local government structures to provide the infrastructure or by undertaking sanitation projects on their own.

2.4 In the process of providing the services referred to above, various issues or points for concerns could be raised by any of the beneficiaries of the services. Issues could be:

- Lack of water at local level for various uses;
- Water wastages and spillages;
- Poor or lack of sanitation;
- Inconsistent provision of water infrastructure;
- Poor quality of water provided;
- Reporting poor state of infrastructure to DWS;
- Dumping of hazardous materials into the water sources;
- Spillage of sewer waste into water sources;
- Unbecoming behaviour of officials at national, provincial and local levels;
- Tipping offs to the ministry on issues related to services or the quality of service provided by local, provincial and national units of DWS;
- Queries and enquiries related to billing matters, e.g, tariffs, volumes, etc;
- Queries related to account balances such as payments not captured, credit notes passed, etc;
- General account enquiries about license applications, cancellations, closure of accounts, etc;
- Enquiries about how to apply for water licenses, ELU's, and general authorisations;
- Creditors enquiries on unpaid invoices submitted to DWS;
- Enquiries related to advertised tenders and contracts awarded.

2.5 Currently DWS does not have a system in place whereby citizens and other water users can call to register their concerns. The Ministry also does not have a register of all complaints received per region so that appropriate action can be taken.

2.5.1 DWS is only made aware of deficiencies in these services via the media when there are protests or demonstrations by disgruntled citizens because of based on poor service delivery. Sometimes these alerts come at a cost of lives being lost and DWS always reacts instead of being proactive.

2.5.2 The absence of a warning system makes it difficult for DWS to identify hot spots and deal with imminent problems about water and sanitation even before they arise.

- 2.5.3 DWS is also tasked with ensuring that all water users are registered and are deemed legal water users. Any user not registered would be considered illegal user.
- 2.5.4 In order to maintain the infrastructure which holds the water resources, DWS is also mandated to recover the costs related to such from the various water users. This is entrenched in the National Water and Water Services Acts which give DWS the right to determine or set tariffs for all water users and charge these to each category of water users. Billing documents are issued to an estimated 65000 users who collectively hold 200 000 accounts. Subsequent to issuing of invoices, water users pay their outstanding accounts and DWS has to follow up on those who do not pay.
- 2.5.5 DWS is also tasked to charge and collect water levies for the Water Research Council (WRC) and Trans Caledonian Tunnel Authority (TCTA).
- 2.5.6 DWS also makes payments to suppliers and service providers for services and goods supplied to the department. At times DWS delays in processing payments and suppliers beg for a channel through which they can communicate their frustrations.
- 2.6 Management submitted a proposal to Top Management wherein they sought approval for the establishment of CRM. Top Management approved the basic concept of outsourcing the function and the submission was submitted to the DG for final approval.
- 2.6.1 The DG recommended that management pay a visit to Gauteng Provincial Government (GPG) call centre to learn how their call centre was established. Following the findings, management then reconsidered their proposal and adjusted in line with their observations at Gauteng Government CRM.
- 2.6.2 After thorough consultation, DWS deemed it necessary that after taking into issues related to DWS business in general, a CRM should be established. This CRM should be broad based and take into account the needs of the DWS in its entirety.
- 2.6.3 The CRM so established will be compartmentalized to ensure that all units and divisions within DWS are catered for.

### **3. CHALLENGES FACED BY THE DWS**

- 3.1 The DWS interacts with its Clients who raise various issues in order to respond and to address all water use and billing related requests and inquiries, through all channels, whether account-specific or general in nature, including, but not limited to the following areas:
- Poor service delivery quires related to water and sanitation;
  - Poor quality of water;
  - Incorrectly registered water users; outstanding water use applications; unauthorised water use;
  - Billing related queries. 3348 queries logged, meter readings, tariffs ,etc. that need to be attended to;
  - Outstanding water authorisations; old or outdated data in the department's database;
  - Enquiries from suppliers and service providers;

- General enquiries related to the activities of the entity;
- Delays in granting licenses to water users as well as issuing general authorisations to existing lawful water users;
- Incorrectly registered water users;
- Payment arrangements and extension requests;
- Full payment certificates;
- Water consumption i.e. meter reads;
- Water shut-off and restoration activity as result of non-payment or payment;
- Outstanding water use applications and water licenses;
- Water inspections and reviews;
- Exemptions i.e. charitable, senior citizens;
- Old or outdated data in the Department's database;
- Enquiries from Suppliers and Service Providers.

3.2 The DWS does not have a CRM unit dedicated to receiving and attending to customers queries. This has led to this function being performed by untrained officials with discouraging results.

3.3 The DWS does not have a single point of entry and a standardised process in dealing with queries from current and prospective water users. Queries are sent to different offices, are not captured or monitored and users are not given reference numbers. This has led to clients sending letters of complaint to the Presidency and the Minister.

4. In order to serve water users better and to provide a better service, the DWS has decided to establish a contact centre which will serve the needs and demands of all its clients.

#### **4.1 Business Requirements/Scope of work**

##### **4.1.1 Contact Centre Strategies**

- The Department of Water and Sanitation (DWS) requires a cloud based hosted contact centre to proactively contact, manage and maintain customer bases as well as increase customer satisfaction;
- It should be based on an outsourced model;
- It should be a single location customer contact solution, which will be able to handle both inbound and outbound services;
- Contact centre agents employed should have the following qualities:
- Experience in handling and managing inbound and outbound calls;
- Ability to handle and track calls in a timely manner;
- Excellent communication skills;
- Experience working within a demanding high pressure environment;
- Agents should be self-confident, well organised, disciplined and highly motivated;
- Agents should have good communication, grammar and typing skills;
- The call centre should provide information, enquiry and request services;
- The SP should be able to establish a centre which will adequately address the following enquiries and queries;
- Lack of water at local level for various uses;
- Water wastages and spillages;
- Poor or lack of sanitation;
- Inconsistent provision of water infrastructure;

- Reporting on non performance of national, provincial and local government structures related to water and sanitation;
- Poor quality of water provided;
- Reporting poor state of infrastructure to DWS;
- Dumping of hazardous materials into the water sources;
- Spillage of sewer waste into water sources;
- Unbecoming behaviour of officials at national, provincial and local levels;
- Tipp offs to the ministry on issues related to services or the quality of service provided by local, provincial and national units of DWS;
- Queries and enquiries related to billing matters, e.g. tariffs, volumes, etc;
- Queries related to account balances such as payments not captured, credit notes passed, incorrect account balances, etc;
- General enquiries about license applications, cancellations, closure of accounts, etc;
- Enquiries about how to apply for water licenses, ELU's, and general authorisations;
- Creditors enquiries on unpaid invoices submitted to DWS;
- Responding to enquiries and queries previously referred to national, provincial and local government levels for which responses are still outstanding;
- Linking up through systems with other government departments on matters of mutual interest, e.g. Land Affairs, Deeds Office, Department of Agriculture, SARS, DTI, COGTA, etc;
- Enquiries related to advertised tenders and contracts awarded;
- The successful bidder is expected to draft formal process manuals and call flows to operationalise the aforementioned strategies.

#### **4.1.2 Contact Centre Channels and Technology**

- The contact centre has to provide for a variety of media such as VOIP telephone, instant messaging, short messages services (SMS), web based enquiries, self-service option, fax and e-mail which could be expanded in time to include additional PBX and Video Conferencing Services;
- The proposed solution should be based on the latest contact centre technologies including Interactive Voice Response (IVR), Automatic Call Distribution (ACD), support tickets with logging and tracking, campaign management, performance monitoring and recording;
- Security and Privacy of customer information should be ensured;
- The contact centre technology should be able to integrate walk-in centres at various locations within the department's regional and cluster locations;
- Provision should be made for other functional units to be linked to the contact centres within DWS such as construction, supply chain management, accounts payable, Ministerial desk for sanitation and water related enquiries, queries and tip offs.

#### **4.1.3 Contact Centre Services**

- The following services should be offered by the contact centre:
  - Information;
  - Services;
  - Enquiry services;
  - Requests services; and
  - Grievance and resolution services.

- In addition there should be a capability in the solution to manage the execution of effective inbound and outbound services, including campaigns and calling back of customers.

#### **4.1.4 Contact Centre Applications**

Contact Centre applications should have the following features:

- Be able to monitor and track progress and resolution of water use, billing and other related water inquiries;
- Be able to integrate into DWS back-end systems;
- Include reporting, management information and dash-boarding to monitor inbound and outbound call volumes, service levels, requests progress, contact centre agents performance and any other relevant contact centre statistics.

#### **4.1.5 Contact Centre implementation methodologies**

- A comprehensive implementation methodology, plan and management strategy is required for the establishment of the contact centre.

#### **4.1.6 Security and Privacy**

- The solution should be designed in a way that guarantees protection and privacy of the client and the DWS information;
- There should be complete and comprehensive security from unauthorised access and misuse of information;
- The necessary data encryption protocols should be utilised.

#### **4.1.7 Team Expertise**

- The contact centre should be fully staffed with competent agents and managed by a strong management team;
- A contact centre team with expertise and knowledge of the DWS systems would be an added advantage.

#### **4.1.8 Training and Knowledge Base**

- A training programme and adequate training material must be developed for the DWS contact centre agents;
- These agents will be trained by the DWS on their business processes to enable them to respond to queries.

#### **4.1.9 Phase Out approach**

- The approach that should be followed to phase out and to handover to DWS has to be included in the solution;
- A comprehensive step by step approach that prescribes the phase out and handover process should be included in the solution.

#### **4.1.10 Facilities management**

- The successful bidder will be expected to house the customer contact centre on their own premises;

- The required ICT Support Services i.e. hardware management, system administration, software maintenance and support should be catered for in the solution.

## 6.2 Hosted Contact Centre Terms of Reference

The DWS is therefore seeking a service provider to provide a cloud based hosted contact centre that conforms to the following:

1. Has a web based administration console
2. Provides Real-time Monitoring – to report on Agents Status and Queues
3. Has the ability to listen to live calls as they are handled
4. Is able to handle Inbound & Outbound campaigns and calling back of customers.
5. Can produce reports by single and by user-created queue groups
6. Measured agent's activities, business targets and conversion rates
7. Is able to fully configure agent login security queue by queue
8. Is able to create real time call and agent reporting
9. Has integrated Quality Assurance
10. Enables agents to see the calls they're handling and provides some integration with back-end systems
11. Enables agents to set call status codes for all inbound and outbound traffic
12. Enables agents to logon, logoff, go on pause and set pause reason codes
13. With reference to the live monitoring of all incoming and outgoing calls, call details has benchmarks that can be easily implemented by the user to let the system flag any calls that meet the benchmarked criteria
14. Allow all inbound, outbound and transferred calls to be recorded, whether internal or external in origin
15. Is able to see the total number of calls received from internal and external callers per agent as well as a summary of these calls received with their final status as: <ul style="list-style-type: none"> <li>- Answered calls</li> <li>- Lost calls</li> <li>- Routed to voicemail</li> <li>- Overflowed</li> </ul>
16. Is able to report the average call duration for all calls per agent and in total
17. Provide an overall report of all incoming calls with the call's final status, even if the call overflowed. This is required to be able to determine what the outcome of the specific call was.
18. Provides a simple search function for voice recordings. Should be able to search by the following criteria: <ul style="list-style-type: none"> <li>- Agent name ( and not agent extension number only)</li> <li>- Incoming calls</li> <li>- Outgoing calls</li> <li>- Date and time</li> <li>- Telephone number</li> <li>- Additional search criteria as per below</li> </ul>
19. Provides real time redundancy in network access links to two independent data centres catering for 30 concurrent calls
20. Provides dual hosted infrastructure services in multiple data centres and walk-in centres
21. Provides a solution to log, monitor and track the progress and resolution of the water use, billing and other related water inquiries received from our Clients in order to provide feedback.

22. Provision should be made for defining business processes and formal process manuals that would be facilitated by the proposed contact centre solution, including call flow, documenting and tracking on all escalated issues.
23. Provides the necessary reporting and dash boarding for monitoring call volumes, service levels, requests progress and any other relevant contact centre statistics.
24. Provides expertise and knowledge of the DWS systems would be an added advantage
25. The system designed should provide for some integration that would be required with DWS back-end systems to import and export information for the tasks performed by the contact centre agents. The necessary encryption protocols should be in place.
26. The proposed solution should be based on the latest contact centre technology and should include the disaster recovery site.
27. The comprehensive contact centre solution implementation methodology, plan and management should be elaborated on.
28. The contact centre solution should be designed in a way that guarantees protection and privacy of the client and the DWS information.
29. There should be a complete and comprehensive security from unauthorised access and misuse of information.
30. Access to data should be available through a menu selection and linked to role-based access rights.
31. The contact centre should be fully staffed with competent contact centre agents and managed by a strong management team.
32. The required ICT Support Services i.e. hardware management, system administration, software maintenance and support should be available to the contact centre facilities.
33. The approach to be followed to phase out and to handover to DWS has to be included in the solution.

Bidders must demonstrate:

- How their solution supports the aforementioned features
- That their solution is Future Proof and can cater for services to the existing other Department of Water and Sanitation sites and include services such as:
  - Cloud based PBX services;
  - Cloud based Video Conferencing;
  - Virtual Fax services;
  - Business Intelligence for CDR data.
- How their services would scale up or down as demand increases / decreases and revert with the time periods within which changes could be invoked.

### **6.3 Hosting, Resources and Skills**

6.3.1 As part of the turnkey solution bidders must host the solution offsite with the following staff complement subject to discussion with DWS:

- 60 Contact Centre Agents;
- 4 First Line Managers;
- 1 Manager.

6.3.2 This number of agents is recommended at the initial stages of implementation but the DWS could increase the number of staff as the volume of work increases. These external agents will be trained on DWS business processes to enable them to respond to queries.



- 6.3.3 The number of agents brought in by the bidder will decrease as bidder gradually withdraws from DWS over a period of three years. DWS reserves the right to retain some of the bidders agents either on a permanent or contract basis.
- 6.3.4 As part of the solution bidders must also include in their proposal a detailed project plan for skills transfer to departmental officials

#### **6.4 Architecture**

Bidders must provide a description and architecture of their solution, including:

- Minimum hardware DWS requirements
  - PBX
  - Management software
  - Call recording
  - User PCs
  - Server
- Interactive Voice Response;
- Automatic Call Distribution;
- Support tickets with logging and tracking;
- Campaign management;
- Performance monitoring;
- Recording;
- How the system can integrate back to the DWS back office.
- Integrate CRM with various departmental systems such as e-WULAAS, BAS, Persal, Logis, WARMS, Deeds office, SARS and etc.

#### **7. EXPECTED OUTCOMES**

Water Trading Entity requires that the following outcomes will be realised at the end of the project:

- Improved relationship and communication with all stakeholders;
- Awareness of possible hot spots through feedback by citizens to the Ministry
- Fewer billing queries and quick resolution of queries
- An improved image of the DWS i.e. positive feedback about the DWS;
- An updated and correct register of water users;
- Improved debt collection;
- Prompt payment of suppliers/service providers accounts;
- A team of contact centre agents who are proficient in their work;
- A smooth operating CRM system and contact centre;
- Well trained departmental officials who can operate and run the centres successfully;
- Improved communication between the public and DWS on water and sanitation issues;
- Build relationships with the various contact centre that belongs to different sphere of government;
- Follow-up on service delivery issues in relation to water and sanitation at a municipal level.

## 8 PERIOD OF PERFORMANCE

The period of performance of the contract resulting from this solicitation is expected to commence as soon as the process of evaluating the tender is concluded. The contract will run from then for a period of three (3) years. Initially the call centre staff will be expected to work during normal office hours only, if however the circumstances, staff will be expected to work beyond normal office hours. Bidders must provide skeleton staff to operate the call centre on 24 hours daily basis should the need arise.

## 9. ADDITIONAL BASIC REQUIREMENTS FROM THE BIDDER

### The bidder must:

- Provide and offer strong evidence of the experience and skill sets;
- Provide evidence of capacity to deliver underpinned by robust and tested methods, tools and governance structures;
- Proof to have the ability to leverage best practice.

## 10. EVALUATION OF TENDERS

10.1 Evaluation will be performed as follows:

10.1.1 Administration compliance –Phase one

### The following documents should be submitted for the administration phase:

- Tax clearance certificate
- Completed and signed all the attached bid documents (SBD 1, SBD 2, SBD 3.3, SBD 6.1, SBD 8, SBD 9, Annexure 11)
- Latest audited financial statements
- Joint venture agreement with notary if any should be attached
- Company profile with a description of past experience
- Attach cv's for all project team members as per 4 first line manager and 1 manager
- List of the previous and current clients served

Non compliance to the submission of the required documents will render the bid non responsive, and the bid will not be considered.

### 10.1.2 Technical Evaluation criteria –Phase two

Adjudication Criteria: Standard preferential procurement policy will be applicable functional evaluation

VALUES: 1= Poor 2=Average 3=Good 4=Very Good 5=Excellent

Criteria	Weight	Value	Total
Past Experience	20		
Methodology and approach	30		
Team Capability	35		
HDI Participation	15		
<b>Total</b>	100		

*Note to bidders: the bidder is expected to meet a minimum threshold /required score for functionality of 70% in order to qualify for further phase 3 evaluations.*

*The department reserves the right to conduct due diligence and site inspection on the three (3) top short-listed bidders*

Further evaluation is based on price (90 points) and preference (10 points) after the minimum score has been achieved by the bidder.

The price will be determined by analyzing the offered total price and it must be detailed per module.

#### HDI participation

- How much of the contract value will be allocated to previously disadvantaged project team members
- Number of previously disadvantaged project team members

### 10.1.3 Price, BBBEE and Costing

#### 10.1.4 Costing

10.1.5 Bidders must take the following into account when determining pricing:

10.1.6 DWS currently has software system in place, namely SAP and a module SAP-CRM is available. The module has not been developed to the fullest but remains a basic tool.

10.2 In determining the price bidders should provide two(2) quotations as follows:

- DWS currently has license for SAP and the module SAP-CRM is included. This module has however not been developed to the fullest. It will be necessary to incorporate all the functionalities necessary to run CRM successfully using SAP as a platform. SAP CRM should be able to interphase with other system within the DWS such as e-WULAAS,BAS, Persal, Logis, WARMS and e.t.c

Or

- Bidder brings in their own CRM system, fully developed and operational. In this instance however bidder must ensure that the solution to be brought in will be compatible with all the systems currently in use in DWS and these are, SAP, BAS, e-WULAAS, Persal, Logis, WARMS,

### 10.3 Costing for equipment and accommodation

10.3.1 The bidder is expected to acquire at his own cost all the necessary equipment, furniture, software, computers, telephones, etc which are necessary to establish and run the call centre successfully. However these assets and equipment will remain the property of DWS which the bidder shall have bought on behalf of DWS.

10.3.2 The bidder must also include the cost of housing the centre which will be away from DWS premises but these premises must be connected with all systems in DWS main buildings.

### 10.4 Price and BEEE –Phase three

- Attach original or certified BBBEE certificate (failure to submit will result in 0 score);
- Price summary should be submitted in this format and should exclude VAT.
- Bidder will be evaluated based on 90/10 price and preference point system.

### 10.3 APPOINTMENT

The successful service providers will enter into an agreement with DWS, the standard PSP agreement will be used. A service level agreement with clearly defined deliverables will be entered into with the successful bidder.

### 10.4 SUBMISSION OF PROPOSALS

Two copies (one original and one copy) of the proposal should be deposited into the tender box at the Zwamadaka building entrance, 185 Francis Baard Street, Pretoria, 0001 which is identified as the tender box of the Department of Water Affairs before 11:00 on closing date given on SBD-1 form.

The envelope should be marked:

**“DEPARTMENT OF WATER AND SANITATION,  
WPDWS: IMPLEMENTATION OF A CUSTOMER RELATIONS MANAGEMENT  
FOR WATER TRADING ENTITY (DWS)**

#### **Compulsory briefing session**

A compulsory briefing session will be held and details follow hereunder:

COMPULSORY BRIEFING SESSION  
DEPARTMENT OF WATER AND SANITATION  
EMANZINI BUILDING G18  
03 JUNE 2015  
@ 11H00 am