



RFP 01/2022

TERMS OF REFERENC

**Request for Proposal-
Insurance Broker**

LAND TRANSPORT AUTHORITY

P.O. Box 6677, Nasinu, Fiji.

Ph : 3347156

DATES : 06/11/21 & 13/11/21

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PART A - RULES GOVERNING THIS REQUEST FOR PROPOSAL

1. PURPOSE OF ENGAGEMENT

The objective is to seek proposals for an insurance broker to research the insurance marketplace for coverage in Medical, Life, General Properties and others. The contract term desired is for a period of three (3) years.

2. NO CONTRACTUAL OBLIGATIONS

This Request for Proposal (RFP) is not to be constructed as a contract between LTA and the prospective bidder. Nothing in this RFT or in any submission document is to be viewed to give rise to any contractual obligations related, expressed or implied.

3. BIDDERS TO INFORM THEMSELVES

The onus is on the bidder to understand the contents of the RFT and the implications of being involved in this submission process. LTA does not accept responsibility for any misunderstandings arising from the bidder's failure to comply with the above-mentioned process. LTA only accepts submissions on the condition that the bidder:

- Has examined this RFT and all other information made available to the bidder;
- Has made all reasonable inquiries regarding relevant risks, contingencies and other circumstances that might affect the submission;
- Has satisfied itself as to the correctness and sufficiency of the submission; and
- Has involved itself in the submission process entirely at its own expense and without any costs being payable by the LTA.

4. RIGHT TO VARY OR STOP SUBMISSION PROCESS

LTA reserves the right to either stop or vary the submission process and may require re-submission at any given time.

5. PROCUREMENT TIMETABLE

The following proposed procurement timetable shall apply. LTA will strive to adhere to this timetable but reserves the right to alter the dates whenever necessary:

Dates	Tasks
6 th November & 13 th November 2021	Advertisements
19 th November 2021, 4pm	Proposal closing date & time
3 rd December 2021	Complete evaluations
10 th December 2021	Complete approval process
17 th December 2021	Notify Successful & Unsuccessful Bidders
30 th December 2021	Signing of Agreement

Where this timetable varies significantly from LTA's side, LTA will notify prospective bidders.

6. CONFLICT OF INTEREST

Bidders and their personnel must not place themselves in a position that may create a conflict of interest concerning this RFT. Any potential or actual conflict of interest that may arise in the performance of their obligations under the RFT must be fully disclosed.

Identification of a potential or actual conflict of interest does not necessarily preclude a bidder's submission from consideration. However, LTA will carefully consider the circumstances surrounding the conflict of interest to determine whether it will compromise the status of the outcome of this RFT, and if so, will promptly notify the bidder.

7. INQUIRIES BY BIDDER

All inquiries by potential bidders for information should be addressed only to the nominated contact officer named on the RFT's advertisement. Where, in the opinion of LTA, that there is a need to disseminate additional information to a particular bidder, the same information shall be provided to other bidders. Such information shall be given the same distribution as in the original RFT.

8. SUBMISSION CONTENT

Should a potential bidder find any discrepancy, ambiguity, inconsistency, error or omission in this RFT document, they should notify LTA in writing as soon as possible. In any such case this needs to be done before the closing date so that LTA may take any corrective action it considers necessary.

9. WHAT TO LODGE

For manual submissions, bidders must submit three (3) hard copies in the RFP Box placed at Level 1, Building A, LTA Headquarters in Valelevu, Nasinu, Fiji. The original hard copy is to be marked 'Original' and the remaining two (2) copies to be marked 'Copy 1' and 'Copy 2'. The original and the copies should include all supporting material and be well-bound. Bidders may also opt to upload their submission electronically to the submission site - <https://www.tenderlink.com/ltafj/> by the timeline.

10. LODGEMENT OF SUBMISSION

Submissions must be lodged by **4:00pm Fiji Time on Friday, 19th November 2021**. Manual submissions must be in a sealed envelope, marked and delivered as follows:

**Management Tender Committee
RFP 01/2022 – Insurance Broker
Land Transport Authority
P.O. Box 6677
Lot 1 Daniva Road, Valelevu
Nasinu, Fiji**

An Evaluation Team will be evaluating the submissions according to the criteria specified in this RFT.

11. LATE SUBMISSIONS

Submissions lodged after the submission closing time shall be deemed late.

12. ALTERATIONS, ERASURES OR ILLEGIBILITY

Submissions are liable to be rejected where they contain alterations or erasures, incomplete, ambiguous or illegible prices or terms, or insufficient information to enable proper evaluation. Alterations cannot be made to submissions after the closing time unless it can be clearly demonstrated to the satisfaction of the LTA Management Tender Committee that a clerical or keying error has been made by the bidder.

13. ACCEPTANCE OF SUBMISSIONS

LTA is not bound to accept the lowest priced submission. Bidders whose submissions are not accepted will be notified. The LTA Management Tender Committee reserves the right to negotiate with other bidders in the event that a contract cannot be successfully negotiated between LTA and the preferred Bidder.

14. COLLUSIVE ACTIVITIES

Bidders and their personnel must not engage in any collusive bidding, anti-competitive conduct or any similar conduct with any other bidder or other person in preparing or lodging a submission or to involve themselves in sort of collusive activities related to the proposal.

15. SHORTLISTING

The Management Tender Committee reserves in its absolute discretion, to make a shortlist of any bidders and seek further information from those bidders before choosing a preferred bidder. In the event of a shortlist being compiled by LTA, bidders that are not shortlisted will be advised as soon as possible.

PART B - PROPOSAL SPECIFICATIONS

1. PURPOSE OF PROPOSAL

The purpose of the RFP is to engage an insurance broker to research the insurance marketplace for coverage in Medical, Life, General Properties and others. The contract term desired is for a period of three (3) years.

2. SCOPE OF SERVICES

LTA is requesting insurance consulting and brokerage services to assist in the acquisition of Medical, Life, General Property insurance and other insurance covers as required. The scope of services includes the followings:

- a) Negotiating annual renewal of coverage on Medical and General Property Insurance and provide advice and recommendations for consideration.
- b) Provide a thorough renewal presentation each year with policy recommendations to include analysis of available alternatives to LTA.
- c) Review Policies and endorsements for accuracy and conformance with negotiated coverage. Insure the timely issuance of policies and endorsements to LTA.
- d) Analyse and review all benefit settlements, claim history, group utilization, claim processing, and other plan costs and expenses to provide information and recommendations to LTA.
- e) Assisting the LTA employees in settling claims or grievances relating to insurance issues.
- f) Assist LTA with insurance program administration, preventative insurance management and provide advice and guidance on new laws, regulations and procedures.
- g) Assist Manager Human Resource with required employee presentations.
- h) Assist LTA in all aspects of its insurance consulting / brokerage services which include market research also advocate with insurance companies on behalf of LTA and advice on a continuing basis and in a timely manner of any and all significant matters and developments regarding the process of insurance company's service issues.

3. Contracting Requirements

Upon selection of a Broker, the terms set forth in this RFP are to be embodied in a definite agreement containing such additional covenants and other provisions as may be deemed necessary by both parties. The final agreement will include, but not be limited to, the following terms, except for any terms especially reserved in the proposal for future negotiation.

4. Before Renewal

At least four weeks before the renewal of the LTA insurance programme, or within four (4) weeks of a specific request from LTA Broker shall:

- a. Provide a written brief on insurance options together with indicative prices
- b. Give written advice on alternative funding mechanisms including increased deductibles and self-insurance, and the most cost-effective balance of self-insurance and insurance
- c. Re-evaluate policy wordings for applicability and coverage, reflecting changes to risks
- d. Provide marketing presentations to insurers
- e. Carry out insurance programme design including negotiations of policy wordings, terms and conditions
- f. Advise on premium funding options
- g. Identify in writing to LTA the Account Manager and support team and take reasonable action to maintain that service team. The Account Manager to attend the annual review meeting and any other meeting as required.

5. At Renewal

At renewal, Broker shall:

- a. Provide written confirmation of details of all relevant policies such as sums insured, limits of liability, deductibles, premiums and other appropriate information;
- b. Provide the security of the relevant insurers prior to their inception; and
- c. Place the LTA insurance programme with insurers as agreed with LTA.

6. After Renewal

Not more than eight (8) weeks after completion of renewal (as soon as is reasonably practicable thereafter), Broker shall provide:

- a. Copies of all policy documents, following preparation by Broker and signature of insurers
- b. Invoices for the premiums together with supporting documentation for premium due
- c. In writing, material for use by LTA in its insurance Procedures Manual; that material shall include:
 - I. A summary of the policies
 - II. Any material facts
 - III. Procedures to be followed for insurance claims
 - IV. Contact details for Broker personnel

V. Contacts details for the support team.

Not more than four (4) weeks after receiving agreed information from LTA, Broker shall provide premium allocations as required by LTA.

Not more than ninety (90) days after renewal Broker shall provide a draft written report to the Executive Management of LTA that sets out, as appropriate, the following matters:

- a. Insurance brokers (changes in ownership, conflicts of interest and similar issues)
- b. Insurance administration matters
- c. Insurance programme (policies placed locally and policies placed on Global Basis)
- d. Insurances from any new acquisitions
- e. Insurance market trends
- f. Insurance claims
- g. Any other matters considered by Broker to be relevant

On a Monthly basis

- a. Attend meetings with LTA nominee, and more regularly if required
- b. Provide for those meetings written reports that include:
 - i) Summary of the servicing work undertaken (including advice given on contracts, certificates of currency or insurance issued);
 - ii) Matters outstanding and responsibility for action;
 - iii) Claims made (year to date and since last report) and their status

On a quarterly basis

- a. Visit major LTA locations (as agreed). Provide follow-up action reports to LTA HQ and representative locations
- b. Brief the Risk Management Committee as required.

7. CLAIMS

The Broker shall:

- a. Provide assistance to LTA on all insurance claims and claims notifications;
- b. Maintain a claims management system to enable regular reports to be prepared detailing the current status of each outstanding and recently settled claim;
- c. Analyse claims and provide a commentary on any trends or patterns found in the analysis;
- d. Provide reasonable help with recording of under the deductible losses by LTA;
- e. Provide an afterhours contact person;
- f. Monitor and promptly report on the claims service provided by Insurers.

The Broker shall not:

- a. adjust, compromise or settle or waive any insurance policy conditions;
- b. make any changes in terms of any offer to insure or policy of insurance written by LTA, by endorsement or otherwise;
- c. bind or issue endorsements;
- d. use LTA's name in any advertising or promotional material without LTA's prior written consent;
- e. Or issue Certificates of Insurance without LTA's prior written consent

The Broker shall have no authority to accept reports or notices of claims or accidents. If any party attempts to report a claim or accident to the Broker or otherwise contacts the Broker regarding a claim or accident, the Broker shall direct such party to contact LTA promptly.

8. STATUS

The Broker is an independent contractor and not an employee of LTA. The Broker shall maintain a staff of competent and trained personnel necessary to develop and produce the business covered by this Agreement.

The Broker shall comply with all the laws and regulations applicable to its operations, including obtaining and maintaining appropriate licenses and approvals, keeping records of all transactions and complying with applicable countersignature requirements. The Broker will adhere to and indemnify LTA for any violation of laws, rules or codes of conduct in regard to compensation or its disclosure.

The Broker will comply with all lawful instructions it may receive from LTA.

9. REPORTING, RECORDS AND INSPECTIONS

The Broker will report to LTA all its transactions on business produced under this Agreement in the format requested by LTA. All reports shall be forwarded to LTA within 10 (ten) working days following the transaction or soon as thereafter as practicable.

At LTA's expense, LTA or its designee may at reasonable times inspect and copy all records maintained by the Broker pertaining to the business produced under this Agreement. The right to inspect and /or copy records will continue until all matters pertaining to the business produced under this Agreement shall have been concluded

10. CONFIDENTIALITY

Broker shall:

- a. Use confidential information only for the business purpose for which it was disclosed;
- b. Keep confidential all information about LTA that is not freely available to the public;
- c. Not divulge confidential information or details thereof to any person or company (other than staff and insurers) without the prior written consent of LTA;
- d. Comply with all LTA security standards.

11. GENERAL CONDITIONS

The following general conditions apply:

- LTA may not necessarily accept the lowest cost bidder, but will strive to select the best and most responsive bidder.
- LTA may cancel this RFT or amend its contents at any time prior to the acceptance of a submission.
- If no proposal is acceptable, then LTA may either re-issue the Terms of Reference or negotiate with one or more vendors for a satisfactory offer.
- The award of a submission shall not be deemed final unless and until a contract is successfully negotiated and approved by LTA.

12. PROPOSAL RESPONSE SECTION

Interested Brokers shall submit submissions responding to items below. Identify each response with the appropriate letter designation and respond to all items in the order given:

A) BASIC BUSINESS COMPULSORY REQUIREMENTS

- i. Company Profile
- ii. Business Registration and Business License – certified copies of:
 - Valid Business Company Registration Certificate
- iii. Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders.
- iv. Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders.
- v) At least 3 References for broker services covering the above scope must be provided of which 1 shall be for a Government Department.
- vi) All staffs to be engaged in this project to be fully vaccinated.

It is mandatory for the bidder to provide all the requirements listed under (i. to v.) above in order for their bid to be considered for further assessment. Any bidder who does not meet the 100% requirement as per above list, their submission SHALL NOT BE CONSIDERED for further assessment.

B) EVALUATION CRITERIA

1. Non-Price Factor 70%:

- i. Qualification & Experience – 30%
- ii. Specification – 40%

2. Price Factor 30%

Evaluation Criteria

Basic Business Compulsory Requirements

- i) Company Profile**
 - Background / History of company including details of parent companies & subsidiaries;
 - Specify the years of experience
- ii) Business License & Registration – certified copies of:**
 - Valid Business Company Registration Certificate
- iii) Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders**
 - Tax Identification Number Letter
 - Tax Compliance Certificate
- iv) Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders**
- v)** At least 3 References for external audit covering the above scope must be provided of which 1 shall be for a Government Department.
- vi)** All staffs to be engaged in this project to be fully vaccinated.

Qualifications & Experience – 30%	Percentage (%)
Respond to these criteria:	
<ul style="list-style-type: none"> Describe how the Brokers experience will benefit LTA in terms of the successful delivery of services LTA (Fiji Wide) – minimum 1 page. 	10%
<ul style="list-style-type: none"> List of major clients of the Broker with particular reference to local government, which may have utilized the areas of expertise. Provide at least 3 references from clients you have previously provided service. Names and contact of suitable client contact persons for reference checks. 	10%
<ul style="list-style-type: none"> Work Program – to show timelines and steps on claims 	10%
Total	30

Specification - 40%	Percentage (%)
The submission must include the following covers:	
<ul style="list-style-type: none"> a) Fidelity Guarantee b) Motor Vehicle c) Public Liability d) Workers Compensation e) All Risk f) Personal Accident g) Term Life h) Material Damage & Consequential Loss i) Directors & Officers j) Professional Indemnity k) Uninsured Risk l) Medical 	40%
Total	40%

Price Factor - 30%	Percentage (%)
Services and Charges: <ul style="list-style-type: none"> a) Provisions of service schedule and Vat Inclusive Prices (VIP) fees including any Administration fees for services to and return from the Authority's office. b) Special offers 	<p style="text-align: center;">20%</p> <p style="text-align: center;">10%</p>
Total	30%

--END--