



**ALFRED NZO**  
DISTRICT MUNICIPALITY

**Terms of reference**  
**ALFRED NZO DISTRICT MUNICIPALITY RESOURCE MOBILISATION**  
**2020/21 FINANCIAL YEAR**

**Issued and Prepared by:**  
**Alfred Nzo District Municipality**  
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**Mount Ayliff**  
**5735**

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## **1. BACKGROUND AND OVERVIEW OF THE PROJECT**

### **1.1 INTRODUCTION**

The Alfred Nzo District Municipality (ANDM) is in the North-Eastern part of the Eastern Cape Province in South Africa. The District forms part of the Eastern Cape Province's boundary with the Kwa-Zulu Natal province. The District borders the Kingdom of Lesotho to the north and the District of OR Tambo in the Eastern Cape and Harry Gwala District in Kwa-Zulu Natal. The ANDM is constituted of Umzimvubu, Matatiele, Mbizana and Ntabankulu Local Municipalities.

Alfred Nzo District Municipality (ANDM) has a vibrant SMMEs Sector that can significantly contribute to the economic growth, development and the creation of sustainable jobs for the District, however there are identified challenges that hinders the potential and development of the SMMEs within the District.

As per the ANDM Local and Regional Economic Development (LRED) Strategy, the Manufacturing sector has been identified as one of the key sectors that can contribute meaningfully to the development of the District's economy, and has potential to address the triple challenges and economic leakages currently occurring in ANDM. SMMEs operating in this sector however have limited skills and resources in order for them to contribute meaningfully to the sector and create employment opportunities.

To that effect, and in line with the client development journey, ANDM has set aside budget and identified five (5) 100% youth owned enterprises in Manufacturing – to develop comprehensive Business Plans for the sustainability and growth of their enterprises. The manufacturing sector is one where natural resources and other intermediate goods are converted through value adding processes into final products for the trade sector; and may include (but not limited to) the following activities:

- Manufacturing hubs (building material)
- Timber processing industries;
- Furniture manufacturing;
- Textiles, Garment Manufacturing;

- Baking; etc.

## **1.2 OVERALL AND SPECIFIC OBJECTIVES OF THE PROJECT**

### **1.2.1 Overall objective**

To ensure sustainability and growth of local enterprises.

### **1.2.2 Specific Objectives**

The specific objectives of the project require the undertaking of the following:

- Development of credible business plans for the following entities in the manufacturing sector:
  - Baking
  - Furniture Manufacturing
  - Biogas
  - Elevator Farm
  - Textile Garment
- Transfer of skills to municipal officials
- Ensuring beneficiary participation

## **2. SCOPE & EXTENT OF WORK**

Bids are invited from suitably qualified professional service providers to undertake development of 5 business plans in the manufacturing sector within the Alfred Nzo District Municipality.

### **2.1.1 Developing of business plans for the following business activities:**

- Baking
- Furniture Manufacturing
- Biogas
- Elevator Farm
- Textiles Industry/ Garment Manufacturing

2.1.2 The appointed service provider is expected to undertake working sessions with the beneficiaries within the municipality's premises so as to ensure transfer of skills to municipal officials.

### **3. PROJECT TIME FRAME**

The project time frame will be 2 months from the date of appointment of the service provider, which is anticipated to take place from 15 October 2020.

### **4. KEY OUTPUTS/PROJECT MILESTONES/DELIVERABLES**

- 5 business plans developed
- 1 inception report
- 1 close out report with recommendations

### **5. STAKEHOLDERS CONSULTATION**

The successful service provider will be required to undertake stakeholder consultations and engagements as it is a vital and an ongoing requirement to ensure support and buy-in towards the successful completion of the project.

### **6. PROJECT MANAGEMENT**

The successful bidder will be appointed on a turnkey basis and is at liberty to appoint his/her sub-consultants, suppliers or subcontractors at the approval of Alfred Nzo District Municipality. The successful bidder will enter into a signed contract with his/her sub-consultants, suppliers or subcontractors and these contracts must be made available to Alfred Nzo District Municipality. The management of sub-consultants, suppliers or subcontractors will remain the sole responsibility of the successful bidder. The client will deal with the contracted service provider and not with sub-contracted consultants. The successful bidder must ensure that sub-consultants, suppliers or subcontractors are compliant to all applicable legislation.

### **7. REPORTING MECHANISM**

It is expected that regular progress reports will be communicated to ANDM and further to develop close out report with recommendations. The Project Manager has the right to change the frequency of reporting as and when necessary. Progress reporting will be undertaken in terms of documented reporting and in presentation format at ad hoc meetings when necessary. It is further expected that service provider conduct meetings with the beneficiaries at ANDM offices,

## 8. SUBMISSION OF BIDS

Quotations must be placed in a sealed envelope and clearly marked: "Project proposal – ANDM Business Plan Development" and placed in the tender box in the Alfred Nzo District Municipality not later than 10H00 on the \_\_\_\_\_. Bidders are requested to ensure that their companies are registered in Supply Chain Management database.

## 9. EVALUATION CRITERIA

Evaluation criteria of the tenders;

The bids will be evaluated in two stages, namely:

- Stage 1- Functionality
- Stage 2- Price and BBBEE Points

Only Bidders who score 70% or more on stage 1 would be evaluated further and therefore eligible for the award.

ITEM	Weight
<b>STAGE 1 OF EVALUATION – FUNCTIONALITY</b>	<b>100</b>
• Previous Experience	50
• Capacity and Expertise	50
<b>STAGE 2 OF EVALUATION – PRICE &amp; PREFERENTIAL POINTS</b>	<b>100</b>
<b>BBBEE POINTS</b>	<b>20</b>
Price	80

<b>PREVIOUS EXPERIENCE</b> (Note: The scoring in this section is not cumulative)	<b>Weighting</b>
Traceable record for successful completion of a minimum of 05 or more business plans (from private or government entity).	50
Traceable record for successful completion of a minimum of 04 or more business plans (from private or government entity).	40
Traceable record for successful completion of a minimum of 03 business plans (from private or government entity).	30
Traceable record for successful completion of a minimum of 02 business plans (from private or government entity).	20
Traceable record for successful completion of a minimum of 01 business plan (from private or government entity).	10
<b>Total points</b>	<b>50</b>
<p><b>Note COMPULSORY attachments for verifying work done:</b></p> <ol style="list-style-type: none"> <li><b>1. The ANDM Assessment Bidder Form must be completed, stamped and signed by previous employer as a means of verifying references for each project undertaken. If 5 Projects were done, 5 Assessment bidder forms must be completed.</b></li> <li><b>2. In ADDITION to the above, a traceable record will be evaluated on the basis of:</b> <ul style="list-style-type: none"> <li><b>- An appointment letter/ official purchase order specifying the contract amount for each project completed.</b></li> </ul> </li> </ol>	

<b>CAPACITY AND EXPERTISE</b>	<b>Weighting</b>
<b>(Note: The scoring in this section is cumulative)</b>	
<b>Experience of key staff assigned to the contract:</b>	<b>50</b>
A Project team comprising of the following:	
NQF Level 6 qualification in Business Management	20
NQF Level 6 qualification in Accounting/Financial Management/Bookkeeping	20
A minimum of six months certificate in Project Management	10
<b>Total Points</b>	<b>50</b>
<b>NB: Please attach certified copies not older than 3 months for all qualifications</b>	



For any queries regarding this tender, please contact Ms. O. Dlanga at telephone number 039-254-5000/5101/5025 or

Contact Mr V. Cita for SCM related queries at telephone number 039-254-5134 during office hours.

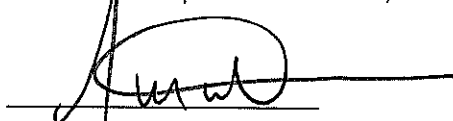
**Alfred Nzo district Municipality**

**Erf 1400 Ntsizwa Street**

**Mount Ayliff**

**4735**

Yours in Municipal Administration,



**MR S. NTSHIKILANA**

**SENIOR MANAGER: PLANNING AND ECONOMIC DEVELOPMENT**

**Recommendation by Specification Chairperson:**

**Approved/Not Approved**

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**Mr. L. Mdutyana**

**Comments by Chairperson:**

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Person dealing with the matter

O. Dlanga at 5101

### SPECIFICATION

Item	Description	Quantity
<b>1.</b>	<b><u>Business Plan</u></b> Baking Furniture Manufacturing Biogas Manufacturing Elevator Farm Textile Garment	5
<b>2.</b>	<b><u>Reporting</u></b>	
2.1.	Inception Report	
2.2.	Progress Report and Submission of the First Draft	1
2.3.	Close Out Report	1
		1
<b>3.</b>	<b><u>Business Plan Alignment</u></b>	1
3.1.	LRED Funding Requirements	
3.2.	Isiqalo Youth Fund Requirements	-
3.3.	NYDA Funding Requirements	-
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APPROVED BY: Mr. S. NTSHIKILANA

SENIOR MANAGER: PLANNING AND ECONOMIC DEVELOPMENT