



SPECIFICATION: 8/2/3/5-2011

INVITATION FOR A CONSULTANT TO COMPILE A DONOR FUNDING FRAMEWORK AND POLICY

PURPOSE

This invitation serves to invite professional service providers to tender proposals for the compilation of a donor funding framework and policy for the Sedibeng District Municipality.

BACKGROUND

A panel of transactional advisors to assist Sedibeng District Municipality with sourcing and securing funding from private and international donors has recently been facilitated. Sedibeng District Municipality now require the services of an impartial and independent consultant to compile the donor funding framework and policy that will govern and regulate the practices of this panel and legality issues.

DISCUSSION

1. CONTRACT OBJECTIVES, ASSUMPTIONS AND RISKS

a. Sector Setting

i. *Budget projection*

The invitation will be advertised for seven days as per the SDM Supply Chain policy. Tenders will hence be evaluated on the 80/20 principle.

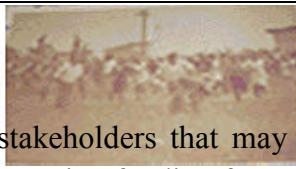
ii. *Financial resources*

SDM shall use the Municipal Systems Improvement Grant (MSIG) as promulgated in the DoRA allocations for financial year 2011/2012.

b. Deliverables

It is the desire of Sedibeng District Municipality that the sourcing of donor funding programme be an initiative that fundamentally serves social development objectives of the District as well as that of Provincial Government and State.

Furthermore, the framework and policy will be used to regulate and govern the practices and agreements entered into by the panel of service providers appointed, Sedibeng District Municipality and all other third parties and



stakeholders that may be involved/ share an interest in the sourcing of and securing funding from private and international donors.

The framework and policy should at the very least include (but not limited to) the following objectives:-

i. Deliverable I - Definition

To provide a detailed definition of the sourcing of and securing funding from private and international donors that will be encompassed within the framework and policy.

ii. Deliverable II – Rates & Costs

To provide an acceptable threshold of all rates and costs to be incurred by transactional advisors and/ or all other third parties and stakeholders that may be involved/ share an interest in the sourcing of and securing funding from private and international donors.

This may be based on prescriptive measures such as percentage thresholds which are market competitive and sector-based.

iii. Deliverable III – Cash Flow Management

To provide a detailed plan on how monies and funds will be received by Sedibeng District Municipality as well as the management of cash flows for various projects. This must be read in conjunction with SDM's approved cash handling and investment policies. The plan should further detail line of authority in approving transactions in accordance with SDM's approved delegations policy and framework.

iv. Deliverable IV - Prioritization

The framework and policy should outline the method of prioritizing projects in accordance with SDM's adopted Growth Development Strategy (GDS), Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) as well as national and provincial objectives.



v. *Deliverable V – Quality Control*

Quality control measures on how the projects will be managed to embed best practice in quality assurance should be built in around the SDBIP schedule as well as make provision for details of quality control systems such as conformance with relevant industry standards and accreditation.

vi. *Deliverable VI – Mandate*

The framework and policy are to provide clear, distinct and definite definitions on the roles and responsibilities of all role players as well as the mandate of the panel of transactional advisors appointed to assist Sedibeng District Municipality with sourcing and securing funding from private and international donors.

These principles are to be encompassed under prescribed terms of contract, service level agreements and other (if any) legality issues contained within the framework and in conjunction with existing SDM approved policies. The intention of the framework will be to minimise SDM's exposure to risk and liability while maximizing service delivery output through prescriptions for key quality controls and recourse.

vii. *Deliverable VI – Further Involvement*

The framework and policy must furthermore provide clear, distinct and definite processes on the possibility of further involvement and participation of all role players especially the panel of transactional advisors appointed to assist Sedibeng District Municipality with sourcing and securing funding from private and international donors, in the initiations, commencement and conclusion of projects.

Specific condition of contract

The framework and policy should reinforce the objectives and deliverables identified above (but not limited to) in a detailed process map format which clearly outlines not only the process path to be followed during decision making but also the roles and responsibilities of all role-players and stakeholders.



c. Methodology and structure of proposals

You should structure your proposal against the following (but not limited to) headings:

- Project approach
- Fee structure
- specialist knowledge, skills and experience
- capacity and capability
- categories of work
- quality assurance
- membership

Evidence will need to be provided in response to the following:

i. Project Approach

Detailed and comprehensive approach to the project supported by a detail project plan highlighting project milestones and all-inclusive fee structure.

ii. Fee Structure

Please detail your charging arrangements, giving a breakdown (excluding VAT) of:

- Professional rates (together with an outline of number of professional hours required to complete project as per project plan).
- Any and all other charges (if relevant and as per project plan).

Please state whether or not VAT will be charged. Payments will be made by EFT transfer following receipt of valid monthly invoices.

iii. Specialist Knowledge, Skills and Experience

A summary of your pedigree within, and understanding of:

- the local government sector in South Africa;

and/or



- parallel market sectors (within the public sector or beyond) where the knowledge and skills gained could be considered to be both relevant and transferable.

iv. *Capacity and Capability*

- a demonstrable track record in successfully executing similar work to that described within this specification;
- should provide details of previous/existing clients and contracts;
- if you have been engaged by SDM in a similar capacity previously, please supply details. This could include being contracted directly to SDM or any of the Local Municipalities within the district.

v. *Categories of Work*

Please refer to the deliverables of work detailed earlier in this tender specification.

vi. *Quality Assurance*

The proposal should include a draft service level agreement that would assimilate (over and above terms of contract):

- how the project will be managed to embed best practice in quality assurance;
- details of quality control systems;
- project management roles and responsibilities.

vii. *Membership*

Membership of relevant professional / industry bodies.

d. Intellectual Property

Sedibeng District Municipality shall reserve the right to retain all rights to the intellectual property and copyrights of the documents inclusive of working papers and frameworks.

e. Evaluation Criteria



Proposals will be evaluated based on the following Supply Chain point system:-

CATEGORY	POINTS	SUM	DESCRIPTION
Price ($P = 80 \times (1 - (Pt - Pmin) / Pmin)$)	80	80	Financial
No franchise in National Election prior to 1983 or 1993.	13	20	Equity
Women equity.	4		
Locality (Enterprises within Sedibeng area)	3		
TOTAL	100	100	

The functionality soundness of the proposals will be tested for compliance with the specifications against the following three criteria prior to being evaluated on price and equity. Proposals scoring below a minimum threshold of fifty (50) functionality points on the functionality criteria will be found to be non-responsive in terms of the specifications and will not be evaluated further.

1. Bidder's understanding of the brief.		30pts	100 points for Functionality
1.1. Compliance with bid/ technical conditions		14pts	
1.1.1. Deliverable I	2pts		
1.1.2. Deliverable II	2pts		
1.1.3. Deliverable III	2pts		
1.1.4. Deliverable IV	2pts		
1.1.5. Deliverable V	2pts		
1.1.6. Deliverable VI	2pts		
1.1.7. Deliverable VII	2pts		
1.2. Compliance with specific conditions of contract		16pts	
2. Proposed methodology, completeness and clarity of proposal.		30pts	
2.1. Costings and all-inclusive fee structure		8pts	
2.2. Project activity plan		8pts	
2.3. Meticulousness and thoroughness of proposal structure		14pts	
2.3.1. Deliverable I	2pts		
2.3.2. Deliverable II	2pts		
2.3.3. Deliverable III	2pts		
2.3.4. Deliverable IV	2pts		
2.3.5. Deliverable V	2pts		
2.3.6. Deliverable VI	2pts		
2.3.7. Deliverable VII	2pts		
3. Experience and expertise demonstrated		40pts	
3.1 Number of years relevant experience	20pts		
3.2 Number of contracts of similar nature	20pts		
TOTAL		100pts	
<i>(minimum functionality score for responsiveness) = 50pts</i>			



Where experience and expertise demonstrated will be determined as follows:-

Number of years relevant experience in successfully performing similar service within local government	0 yrs	< 3yrs	3 < 5yrs	5 < 10yrs	+ 10 yrs
	0%	5%	10%	15%	20%
Number of contracts of similar service within local government successfully completed	0 contracts	<3 contracts	3 < 5 contracts	5 < 10 contracts	+10 contracts
	0%	5%	10%	15%	20%

reference list with up-
expertise cited.

This matrix is to be used as a guide only to ensure a consistent approach is taken when scoring. Technical Evaluators will have the scope to use their own judgement and discretion when awarding scores under each evaluation criterion and they should make appropriate notes to validate all scores awarded.

Score of 5: A score of 5 will indicate that bidders have addressed all, or the vast majority of, points under each criterion, as well as demonstrating a deep understanding of the project. All solutions offered are linked directly to project requirements and show how they will be delivered and the impact that they will have on other areas and stakeholders. Proposals will contain novel or creative ideas which are realistic and which would enhance the service provision. To be awarded a score of 5, bids would exceed normal expectations and should clearly be seen as offering value added solutions.

Score of 4: A score of 4 will reflect that bidders will have addressed in some detail all, or the majority of, the points listed under each criterion. Evidence will have been provided to show not only what will be provided but will give some detail on how this will be achieved. Bidders should make clear how their proposals relate directly to the aims of the project and be specific, rather than general, in the way proposed solutions will deliver the desired outcomes.

Score of 3: A score of 3 will again address the majority of the points under each criterion but will lack some clarity or detail in how the proposed

solutions will be achieved. Evidence provided, while giving generic or general statements, is not specifically directed toward the aims and objectives of this project. Any significant omission of key information as identified under each criterion will point towards a score of 3.



Score between 1 and 2: A score in this range will reflect that the bidder has not provided evidence to suggest how they will address a number of points under the evaluation criterion. Tenders will in parts be sketchy with little or no detail given on how they will meet project requirements. Evidence provided is considered weak or inappropriate and it is unclear how it relates to desired outcomes.

Score of 0: A score of 0 will result if no response is given or if the response is not acceptable and does not cover the required criteria.

Compliance of Technical Specification

Technical Specification Verified by:

Mr. Thabang Tsie
Director: S.C.M.
Date:..... June 2011

Mr. Brendon Scholtz
Chief Financial Officer
Date:..... June 2011

Approve/Not Approved by

Mr. Yunus Chamda
Municipal Manager
Date:..... June 2011