



045 932 8125

1, Seller Street, Maclear, 5480

045 9321 094

[kwaneles@elundini.gov.a](mailto:kwaneles@elundini.gov.a)

Dear Sir / Madam

## REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS

Kindly furnish me with a written quotation as detailed below.

The quotation must be deposited in the tender box situated in 1 Seller Street Maclear, Finance Department, Cashier Reception area before 12h00 on the **18 October 2018**. For queries please email to at [kwaneles@elundini.gov.za](mailto:kwaneles@elundini.gov.za) or faxed to 086 216 8784

For Technical Queries: MRS V Nodikana

Tel: 045 932 8168

For Supply Chain Queries: Mr K Sobekwa –SCM

Tel: 045 932 8174

## RE-ADVERT FOR REVIEW OF LOCAL ECONOMIC DEVELOPMENT STRATEGY AND DEVELOPMENT PROGRAM: ELM-6/004/2018-2019

Only those tenderers who satisfy the following eligibility criteria and who provide the required evidence in their tender submission are eligible to submit tenders and have their tenders evaluated:

### 1. Tender offers will only be accepted if:

- 1) the tenderer is registered on the Central Supplier Database (CSD) for the South African government (see <https://secure.csd.gov.za/> ) unless it is a foreign supplier with no local registered entity.
- 2) the tenderer provides written proof from SARS that the tenderer either has no Tax obligations or has made arrangements to meet outstanding Tax obligations,
- 3) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in
- 4) the financial offer is market related (See Regulation 6 (9) and section 7 (9) of the 8(9) OF Preferential Procurement Regulation 2017.
- 5) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
- 6) the tenderer has not:
  - i) abused the Employer's Supply Chain Management System; or
  - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
  - iii) the tenderer has completed the Compulsory Declaration and there are no conflicts of interest Which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.
- 7) the statement of municipal account that is not older than three months or Lease Agreement OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward councillor is submitted with the tender document.
- 8) the price(s) quoted are valid for at least thirty (30) days from date of your offer.
- 9) the price(s) quoted are firm and are inclusive of VAT where applicable.
- 10) the Joint Venture has attached the following :
  - a) J V agreement,
  - b) original or certified copy of consolidated BBBEE certificate, and



c) letter of signatory.

**2. The tenderer is required to submit with his tender the following certificates:**

- 1) Proof of registration with Central Supplier Database must be attached.
- 2) Tax Compliance status documents with PIN from SARS must be attached
- 3) Proof of B-BBEE status level of contributor in the form of an appropriate original or certified completed affidavit downloaded from [www.thedti.gov.za/economic\\_empowerment/bee\\_codes.jsp](http://www.thedti.gov.za/economic_empowerment/bee_codes.jsp) or an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and IRBA recognized as an Accredited B-BBEE Verification Agencies ([www.sanas.co.za/afdirectory/bbbee\\_list.php](http://www.sanas.co.za/afdirectory/bbbee_list.php)) or accounting officers as contemplated in the CCA or registered auditors .

**3. Returnable schedules required for tender evaluation processes**

MBD 1: Invitation to bid

MBD 4: Declaration of Interest form

MBD 6.1: Preference Points Claim Form In Terms Of the Preferential procurement Regulations 2017

MBD 8: Declaration of Bidder's Past Supply Chain Management Practices

MBD 9: Certificate of Independent Bid Determination

**NB: No quotations will be considered from persons in the service of the state**

**BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:**

- 1) The Elundini Local Municipality Supply Chain Management Policy will apply;
- 2) The Elundini Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid;
- 3) Bids which are late, incomplete, unsigned, faxed or sent electronically will not be accepted;
- 4) Bids submitted are to hold good for a period of 30 days;
- 5) Bidders will be required to register as a supplier/service provider on the ELM's Supplier/Service Provider Database, if not already registered
- 6) The latest General Conditions of Contract and any Special Conditions of Contract will apply.
- 7) Failure to comply with these conditions may invalidate your offer.
- 8) Upon submission of a bid/quote the bidder automatically grants confirmation that SARS may, on ongoing basis during the contract term the bidder's tax compliance status to the municipality.
- 9) General Conditions of Contract 2010 will apply in this Request for Quotation
- 10) By mere submission of the bid , the bidder automatically consent to deliver within 14 days of issue of an order unless a declaration for variance in this regard has been submitted to the municipality on the day of issue of an order.
- 11) National Treasury circular no. 9 of 2017/18 Price shall apply.

SIGNATURE \_\_\_\_\_



DATE \_\_\_\_\_

## TERMS OF REFERENCE FOR LED STRATEGY REVIEW

### 1. INTRODUCTION AND BACKGROUND

#### Background

Elundini Local Municipality is situated in the Southern Drakensberg area in the Northern part of the Eastern Cape and borders with Lesotho. The area is rich in natural, cultural and historical assets. Attractions in the area include the natural beauty of the mountains, scenic roads and farms, historic towns, archaeological findings, battlefields, rock art, flowers, fly fishing and the cultural diversity of the area.

#### Objectives of the review

The objectives of the LED strategy review are as follows:

- To update relevant economic indicators, while reviewing the current economic climate in the local area, in order to develop appropriate economic instruments or interventions.
- To enable the municipality to assess progress in the implementation of their LED strategy, identify failures, successes and challenges that have been experienced in the implementation process and to propose solutions, including the analysis of the prioritized projects to assess whether they are yielding the expected results.
- To ensure that there is proper coordination of economic development planning, implementation and review within the municipality and across different spheres of governmental and non-governmental organizations.
- To improve the process of prioritization of interventions from government spheres and ensure that there is visible implementation of the strategy taking advantage of quick-win interventions.

### 2. METHODOLOGY

The review process will include the following methodologies:

- Desktop review and analysis of current strategies, policies, ward base plan, and statistics.
- Meetings, workshops, interviews and one-on-one meetings with critical stakeholders which will include government, business, academia, community, labour and NGOs.
- Inclusive, Transparent and Participatory
- Transfer of skills and knowledge.

### 3. SCOPE OF WORK

The LED strategy review is expected to include the following activities:

#### **3.1 Project Inception**

- To clarify the client's expectations and confirm the proposed methodologies and process plan for executing the project.
- To confirm the proposed programme of activities and their duration, timeframes and scheduling.
- Identification and collation of relevant studies and information available.
- Prepare and agree on the Memorandum of Understanding for signature.
- Prepare a project plan

#### **3.2 Situational, SWOT and Sector Analysis**

- To provide the current overview of the Elundini Local Municipality economy including sectorial performances for agriculture, Forestry, Manufacturing, tourism and other relevant LED sectors.
- Current overview of LED in the District and Eastern Cape Province.
- Research into the trends of the local economy for the past 5 years. This should comprise of statistical analysis.
- The socio-economic analysis must determine the impact of HIV /AIDS on the local economy, poverty etc.
- Demand and Supply analysis of existing economic activities in the Elundini Municipality and the identification of key economic role players and drivers.
- Identification of any further opportunities and developing an understanding of current and past economic development initiatives and projects, their successes and failures and contributing reasons.

- Update of SWOT analysis, including an evaluation of identified strengths and opportunities and an analysis of weaknesses and threats.
- Highlight any led related environmental issues that have impact in the economy of the municipality

### **3.3 Strategic Development Framework**

- Identify relevant tools for identifying potential opportunities within the Municipality
- Develop appropriate strategies which are directed at creating an enabling economic environment
- Identify areas of intervention for the municipality and develop strategies which target the weaknesses and build on the opportunities identified within the municipality.
- Develop an updated project identification matrix which will guide development and prioritize projects for the future

### **3.4 Database of Business Opportunities**

- Formulate a electronic database of business opportunities for future project identification
- Review and capture the projects within the Elundini Municipality's IDP on a database.
- Consolidate and package the projects to form an informative and user friendly database

## **4. EXPECTED OUTCOMES AND OUTPUTS**

- Clear project plan
- Project inception report and signed contract
- State of the current economic situation and economic infrastructure
- Detailed SWOT analysis
- Detailed socio-economic analysis
- A report which provides the relevant tools and strategies, guiding the future development of the Elundini Local Municipality. Also comprising an important part of this report is the project identification matrix which would assist the municipality to prioritize and guide the implementation of future projects
- A business opportunity database of all the municipality's projects
- Skills transfer

The successful service provider will be required to undertake consultation, as it is a vital component in the preparation of Local Economic Development Strategy.

## **5. PROJECT MANAGEMENT**

- The project is to be coordinated and managed by a Project Technical Team (PTT) comprising of officials from the Municipality (Planning & LED Section).
- A Project Steering Committee (PSC) consisting of the ELM (LED, Planning, SPU, Community Services) Joe Gqabi District Municipality, Department of Local Government and Traditional Affairs (LED Section), Department of Public Works, Department of Small Business, Rural Development, Science Technology, East London IDZ, Department of Energy, Rural Development Agencies.
- The produced plans and documents will have to be submitted to the PTT and PSC for comments before the final product. The final approval of this LED Strategy will have to be obtained from the Elundini Local Municipality's Council.

## **6. PROJECT DURATION**

The project timeframe is three (3) months from the date of the appointment of the service provider

## **7. MONITORING AND REPORTING**

The service provider should work closely with the municipality and must report to the municipality. The service provider should provide bi-weekly progress and expenditure report to the municipality and PSC and there after it should be monthly reporting. The PTT will assess progress in terms of the contract and deal with administrative issues thereof. The Project Steering Committee meetings will be held to discuss written project report and presentation

## **8. COST, PAYMENT MILESTONES AND DISBURSEMENT**

- The cost of the assignment will be determined by the Service Provider using the 80/20 point system.

- The Service Provider should include details of cost breakdown on professional fees, disbursements and VAT.
- The Municipality will undertake all necessary procurement procedures to award the winning Service Provider and make payments according to a signed Memorandum of Understanding.

#### 9. EDUCATIONAL QUALIFICATIONS OF KEY PERSONNEL

The minimum educational qualification required for the project is an appropriate degree / diploma in Economic Science, Development Studies and any other led relevant specialized trainings i.e. IDP Planning, Strategy development

Certified copies of qualification and CV's of the key personnel duly signed by authorized official with delegated powers should be attached. Company profile should be attached.

#### 10. EXPERIENCE AND OTHER REQUIREMENTS

- Expertise and thorough understanding of LED
- Thorough knowledge and experience in integrated development planning
- Knowledge of general principles that are applicable to LED strategy development
- Understanding of legislative and policy framework
- Knowledge and experience in undertaking and completing similar projects
- Research and analytical skills
- Facilitation & personal skills
- Availability to start immediately and carry out the process on continuous basis until completion within stipulated time-frames.
- Ability to work as part of a team and manage a complex integration of information.
- The appointed service provider will be required to transfer skills and share knowledge to LED officials throughout the duration of the project.

#### 11. SPECIFIC CONDITIONS

In the event of a bidder being appointed in terms of this invitation to bid, the following special conditions will apply to the contract between the bidder and the client;

- No replacing of key individuals following the awarding of the contract unless agreed upon in writing by both Service Provider and Elundini Municipality Accounting officer which will only be allowed in extreme exceptional cases like death and resignation of candidate.
- The appointed service provider will be required to submit a report to the LED Manager and Director Planning and Economic Development and attend any meetings related to the project.
- All cost claimed must be accompanied by original invoice

#### 12. EVALUATION CRITERIA FOR SELECTION

Submitted proposals will be evaluated on a basis of 80% price and 20% BBBEE Status. With regard to functionality the following criteria is applicable:

- Previous experience in the field and record of achievements
- Level of expertise in the field and qualification of personnel – CVs to be submitted
- Understanding of the sector and related legislations

#### 13. VALIDITY PERIOD OF THE BID

Proposals shall remain valid for a period of 90 days after the official closing date of the advert

#### 14. DATA FORMAT

Word and PDF documents to be supplied. All final documents to be provided on a compact disc (cd and /or USB). All spatial diagrams and maps etc...to be provided in HSP file format. The document should be drafted in Calibri (Body) 11. The original hard copy should be in colour. Data should be in shape files or excel spreadsheet or with meter data.

## 15. INTELLECTUAL PROPERTY

This document is meant only for Elundini Local Municipality; it cannot be used nor accessed by any other municipality or company without the prior approval of the council. The intellectual property rights will reside with the Elundini Local Municipality.

## 16. FUNCTIONALITY

Bids that scores less than 70 (seventy) points out of 100 (one hundred) points in respect of the following pre-evaluation eligibility criteria, will be regarded as non-responsive

Evaluation Criteria	Description	Points Allocated
<b>Company Experience</b>	<p>The company must be in the business of developing Economic Strategies for Government departments, municipalities and similar institutions, with experience in dealing in rural areas for 5 years. The letter of appointments or reference letters must be attached</p> <p>5 years and above = 30</p> <p>3 to 4 year = 20</p> <p>Less than 3 years= 0</p>	<b>30</b>
<b>Team Experience</b>		<b>40</b>
	<p><b>Project Leader has professional profile.</b> List of competent relevant suitable qualified team members with their respective Curriculum Vitae competent for the proposed tender. Capacity and experience of the proposed team.</p> <ul style="list-style-type: none"> <li>• <b>Outstanding profile</b> – 6 and more years of relevant work experience in the field of Economic Development <span style="float: right;">20</span></li> <li>• <b>Extensive profile</b> – 3 to 5 years of relevant work experience in the field of Economic Development <span style="float: right;">15</span></li> <li>• <b>Reasonable profile</b> - 2 years of relevant work experience in the field of Economic Development <span style="float: right;">10</span></li> <li>• <b>Poor profile</b> – 0 to 1 year of relevant work experience in the field of Economic Development <span style="float: right;">0</span></li> </ul> <p><b>Project Leader has outstanding qualifications.</b></p> <ul style="list-style-type: none"> <li>• <b>Outstanding Qualifications</b> – Post Graduate Degree in Economics/Community Development Studies <span style="float: right;">20</span></li> <li>• <b>Extensive Qualifications</b> – Degree in Economics / Community Development Studies <span style="float: right;">15</span></li> <li>• <b>Reasonable qualifications</b> – Three year National Diploma in Economics/Community Development Studies <span style="float: right;">10</span></li> </ul>	
<b>Approach Paper</b>		<b>30</b>
	<p>The approach paper must respond to the scope of work, the nature of the contract, the required resources and outline the proposed approach /methodology including that relating to the programming and management of key processes. The approach paper as such needs to:</p> <ul style="list-style-type: none"> <li>• Outline the proposed methodology and systems which will be employed.</li> <li>• Articulate what value add the tenderer will provide in achieving the stated and implied objectives for the project including the secondary (developmental) objectives.</li> </ul> <p>The tenderer should as such explain his / her understanding of the objectives of the project, highlight the issues of importance and explain the strategic approach they would adopt to address them. The approach paper</p>	

	<p>should explain the methodologies which are to be adopted, demonstrate the compatibility of those methodologies with the proposed approach. The approach should also include a high level quality plan which outlines processes, procedures and associated resources, applied by whom and when, to meet the requirements and indicate how risks will be managed and what contribution can be made regarding value management.</p> <p>The approach paper will be evaluated in relation to the scope of work from the approach to delivering projects. The approach paper should not be longer than 05 pages. The scoring of the approach paper will be as follows:</p> <ul style="list-style-type: none"> <li>• The technical approach and / or methodology is poor / is unlikely to satisfy project objectives or requirements. The tenderer has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of the project.</li> <li>• The approach is generic and not tailored to address the specific project objectives and methodology. The approach does not adequately deal with the critical characteristics of the project.</li> <li>• The approach is specifically tailored to address the specific project objectives and methodology and is sufficiently flexible to accommodate changes that may occur during execution.</li> <li>• Besides meeting the "good" rating, the important issues are approached in an innovative and efficient way, indicating that the tenderer has outstanding knowledge of state-of-the- art approaches. The approach paper details ways to improve the project outcomes and the quality of the outputs / outcomes.</li> </ul>	<p>0</p> <p>10</p> <p>20</p> <p>30</p>
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**EVALUATION CRITERIA**

The 80/ 20 preferential procurement point system will be applied as the project is estimated to be more than R30, 000.00

- Price - 80 points
- B-BEE status level of Contribution - 20 points

**BBBEE Points Breakdown:**

LEVEL	POINTS AWARDED
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
<b>Non-compliant</b>	<b>0</b>

**DELIVERY ADDRESS:**

Elundini Local Municipality  
 No.1 Seller Street,  
 Maclear  
 5480

Published on 11 October 2018