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## TERMS OF REFERENCE

### **APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, EVALUATE THE READINESS IN TERMS OF ADOPTION AND IMPLEMENTATION OF THE SMART CITIES FRAMEWORK AT THE SELECTED MUNICIPALITIES AND DEVELOP A SUPPORT PROGRAM FOR IMPLEMENTATION OF SMART CITY INITIATIVES AS PER THE SMART CITIES FRAMEWORK FOR A PERIOD OF TWELVE MONTHS (12) MONTHS**

#### **1. PURPOSE OF ASSIGNMENT**

The purpose of these terms of reference (tor) is to invite bids for appointment of a service provider to assess, evaluate the readiness in terms of adoption and implementation of the smart cities framework at the selected municipalities and develop a support program for smart city initiatives as per the smart cities framework for a period of twelve months (12) months. The appointed service provider must analyse all the towns on the list and from there must determine the identification of the five to 8 cities and towns for redesign and refurbishment and produce a support program with detailed analysis reports, site plans and 3 D models as defined in the scope of the assignment and deliverables. There are 3 phases to this project. Phase 1 has been done internally by the department to try and meet the quarterly target of this financial year as this is an APP Project of the Department, but will need to be reviewed and verified by the appointed Service Provider.

#### **2. Introduction and background**

The world is becoming more and more urbanised, and across the globe people are moving to cities in large numbers. If cities are to overcome the challenges that accompany rapid urbanisation, rural-urban migration, climate change and general resource constraints, they have to become centres of innovation and creativity. Responding to challenges such as congestion, rising crime, growing urban poverty and the need for more efficient service delivery practices, an increasing number of cities have made the choice to use smart technologies and encourage innovative practices as part of their efforts to become more resilient and liveable.

- 2.1 In his State of the Nation Address (SONA) in June 2019, the President of South Africa, Mr. Cyril Ramaphosa, expressed his dream of building a South African smart city. In the February 2020 SONA, the President announced more concrete plans to develop a smart city in the country. These statements provoked discussion around the notion of Smart Cities within the South African context.
- 2.2 A “smart city” could be described as a settlement where investments in human and social capital as well as traditional and modern communication infrastructure fuel sustainable economic development, a better quality of life and prudent management of natural resources.
- 2.3 The Department of Cooperative Governance (DCoG) provides leadership in the development of cities and towns in South Africa. The department drafted this Smart Cities Framework (SCF) to support all those involved in the planning and implementation of smart city initiatives with impartial, factual information about smart cities in South Africa. The SCF supports DCoG in its efforts to guide and coordinate smart city initiatives implemented at municipal level throughout the country.
- 2.4 The SCF shares learning on the potential contribution of smart cities as well as the perceived limitations of these types of interventions. It further emphasises the critical characteristics of South African cities and towns that need to be considered when planning and implementing smart city initiatives. The unique

South African context calls for local and tailor-made interventions to develop settlements that are not only smart but also inclusive. Any smart city initiative should contribute to the well-being of ordinary city dwellers and support the broad national vision for human settlements outlined in, among others, the National Development Plan (NDP) and the Integrated Urban Development Framework (IUDF).

- 2.5 The SCF further assists in establishing a common understanding of smart cities in the South African context and outlines a set of principles to guide decision-making for smart cities. The document concludes with highlighting critical issues to consider and outlining initial steps to be taken when identifying, planning and implementing smart city initiatives.
- 2.6 The three spheres of government are continuously looking for ways to improve service delivery, effectiveness and efficiency and to create a better future for all. People-focused smart cities could potentially become inclusive centres of innovation, creativity and prosperity.

### **3. Problem Statement**

- 3.1 South African cities and towns are increasingly pressured to become smarter. However, the lack of a common understanding of the concept makes it difficult for some to identify appropriate interventions. Uncertainties regarding the benefits and pitfalls related to smart cities also hamper progress in implementing smart city initiatives. Furthermore, there are many misunderstandings regarding the interpretation of smart cities that is appropriate to the South African context.
- 3.2 This South African Smart Cities Framework (SCF) was developed by the Department of Cooperative Governance (DCoG) to provide municipalities, national and provincial government, the private sector, civil society and other role players with impartial, factual information about smart cities in South Africa. The SCF supports DCoG in its efforts to guide and coordinate smart city initiatives planned and implemented throughout the country.
- 3.3 The purpose of the SCF is to guide decision-making and provide all role players with a structured approach to identifying, planning and implementing smart city initiatives that are appropriate to the local context. Because smart cities must be informed by, and respond to, local conditions, the SCF does not contain instructions or specifications. For the same reason, the framework does not prescribe minimum standards or requirements for smart cities, initiatives or technologies. The framework rather guides and informs decision-making to ensure smart city initiatives are appropriate to the particular context.
- 3.4 The objectives of the SCF include the following:
  - a) To share local and international learning to provide all role players with factual information on the benefits and advantages as well as the challenges and disadvantages that need to be taken into account when planning and implementing smart city initiatives.
  - b) To highlight the South African realities that need to be considered when planning and implementing smart city initiatives to ensure that such initiatives are appropriate to the local context.
  - c) To assist in developing a common understanding of the concept of a smart city and propose a South African interpretation of various aspects related to smart city initiatives.
  - d) To outline a set of principles to provide guidance when decisions have to be made regarding the identification, planning and implementation of smart initiatives and technologies.
  - e) To outline the factors to consider, and the steps to be taken, when identifying, planning and implementing smart city initiatives.

#### 4. Scope of the assignment

The scope of this project is to assess, evaluate the readiness in terms of adoption and implementation of the smart city's framework at the selected municipalities and develop a support program for smart city initiatives as per the smart cities framework for a period of twelve months (12) months. The appointed service provider must analyse all the towns on the list and based on the results must determine the identification of the five to eight cities and towns for redesign and refurbishment and produce a support program with detailed analysis reports, site plans and 3 D models as defined in the scope of the assignment and deliverables.

The successful bidder/s will be required to:

**Phase 1:** (This phase has already been done internally by the Department but must be reviewed and verified)

- 4.1 Assess and evaluate the readiness of municipalities in terms of adoption and implementation of the smart cities framework which will include the following:
- (a) Review and verify the baseline criteria developed internally by DCOG to identify the cities/towns for redesign and refurbishment
  - (b) Review and verify the assessment criteria (readiness assessment framework template) aligned to DCOG's targets and indicators and Smart Cities Framework developed internally by DCOG.
  - (c) Review and verify the state of readiness in the selected Municipalities as per the list in the TOR on adopting the Smart Cities Framework developed internally by DCOG in relation too:
    - I. Smart City Initiatives,
    - II. Capacity constraints to becoming Smart City,
    - III. Infrastructure challenges to becoming Smart City,
    - IV. Service delivery turnaround time to becoming Smart City
  - (d) Evaluate the Data Management Systems in terms of readiness to have data transmission:
    - I. Efficiency and Real Time Response to becoming Smart City,
    - II. Data Management costs to becoming Smart City,
    - III. Wifi, Fibre connectivity to becoming Smart City
  - (e) Evaluate Business Process Management in the planning department and units to becoming Smart City:
    - I. Functions and Operations (SPLUMA Compliance and Readiness)
    - II. Capacity in terms of service delivery to becoming Smart City
  - (f) Identify current Smart City Initiatives to becoming Smart City if underway in the municipality and is it budgeted for:
    - I. Data Driven decision making,
    - II. reduced environmental footprint / impact
    - III. Smart City Efficiency,
    - IV. Smart Economic Development Opportunities,
    - V. Smart Initiatives for improved Quality of Life – WIFI,
    - VI. street furniture,
    - VII. charging points,
    - VIII. digital enhanced platforms in relation to service delivery,

#### **Phase 2:**

- 4.2 Unpack the municipal strategy towards Smart City Initiatives in their IDPs, SDFs:
- 4.2.1 Identify critical priorities and understand the environmental context within which the Municipality operates, which include but not limited to operating model, legislative framework, funding capabilities as per 4.1 (a) – (f)
  - 4.2.2 Conduct an analysis to understand the current gap to align to the Smart Cities Framework

#### **Phase 3:**

- 4.3 Using the list of municipalities herein and the criteria for Identification of existing cities/ towns determine the Min of 5 and Max of 8 Cities/ Towns for redesign and refurbishment into Smart

cities based on the on the analysis report and readiness assessment framework developed internally by DCOG:

4.3.1 Establish a Support Program for each of the 5- 8 Cities and Towns Municipalities to become Smart City Ready.

4.3.2 Develop a business case for each of the 5 – 8 Cities and Towns

4.4 Develop for the identified cities/Towns Smart City Models:

- (i) 3 D Models with detailed design using Autocad/BIM 3 D Software, soft and hard copies and printed designs of the Models (Autocad) (BIM)
- (ii) Layout plans must include solutions for:
  - a). Greening,
  - b). Urban renewal,
  - c). Smart technology,
  - d). Incorporate urban resilience initiatives into the design
  - e). Incorporate urban safety into the models and design of layout plans (UN Habitat Systemwide Guidelines on Safer Cities and Human Settlements)
- (iii) Site plans, inclusive of land use and zoning and Smart Cities Initiatives/ that can be adopted by the Municipal IDP and SDF

#### 4.5 The list of Municipalities

<b>Municipal Category</b>	<b>Municipality</b>	<b>Province</b>
Category A	Nelson Mandela Bay Metro	EC
	Mangaung Metro	FS
Category B	Kouga LM	EC
	KSD LM	EC
	Walter Sisulu LM	EC
	Enoch Mgijima LM	EC
	Ray Nkonyeni LM	KZN
	Umuziwabantu LM	KZN
	Umdoni LM	KZN
	Umhlathuze LM	KZN
	uMfolozi LM	KZN
	Umzumbe LM	KZN
	Mandeni LM	KZN
Category C	Ehlanzeni District	MP
	Harry Gwala District	KZN
	West Coast District	WC

#### 5. Deliverables (Must be in-line to section 4 scope of the assignment)

Phase 1: (Annexures attached)

5.1.1 Review and verify the baseline criteria for the identification of existing cities/ towns developed internally by DCOG.

5.1.2 Review and verify the assessment criteria (readiness assessment framework template) aligned to DCOG's targets and indicators and Smart Cities Framework and the identification criteria developed internally by DCOG.

5.1.3 Review and verify the detailed analysis report on the state of municipal readiness to becoming a Smart City (for all the municipalities listed in the table), identify the top 5-8 Cities and Towns for Redesign and Refurbishment developed internally by DCOG.

Phase 2:

5.2.1 Produce a support program for the 5 -8 Cities and Towns identified above based on the analysis that includes DCOGs Targets and Indicators but not limited to, for becoming a Smart City which can be used

as a baseline to develop a Smart City Strategy for each of the identified the Municipalities as developed internally by DCOG.

- 5.2.2 Map out municipal capabilities for becoming a Smart City and produce a report on available funding mechanisms to support implementation of Smart City Initiatives.

Phase 3:

- 5.3.1 Develop business cases for each of 5 to 8 cities/ towns for redesign and refurbishment into Smart Cities/ towns based on the uniqueness of each of the cities and towns and their natural environment local and needs coming out of the analysis.
- 5.3.2 Using the 5 to 8 Cities/ Towns based on the identification criteria and analysis report and the business cases develop plans for redesign and refurbishment into Smart cities/ towns and produce the following:
- (i) 3 D Models with detailed design using Autocad/BIM 3 D Software, and soft and hard copies and printed designs of the Models (Autocad)
  - (ii) Layout plans must include solutions for:
    - a). Greening,
    - b). Urban renewal,
    - c). Smart technology,
    - d). Incorporate urban resilience initiatives into the design
    - e). Incorporate urban safety into the models and design of layout plans (UN Habitat Systemwide Guidelines on Safer Cities and Human Settlements).
  - (iii) Site plans, inclusive of land use and zoning and Smart Cities Initiatives/ that can be adopted by the Municipal IDP and SDF

## 6. Timeframes

- 6.1 The contract with the successful service provider will be for a period of twelve (12) months to complete.
- 6.2 The project will commence upon date of signing of the Service Level Agreement (SLA) between the DCoG and the successful bidder/ service provider.

## 7 Skills and knowledge requirements

Service providers must have:

- 7.1 Acknowledged understanding of the legislative landscape of the system of local government in South Africa,
- a). including knowledge of Smart Cities Framework,
  - b). Integrated Urban Development Framework,
  - c). District Development Model,
  - d). National Development Plan,
  - e). Spatial Planning Land Use Management Act no.16 of 2013 and
  - f). the different categories of municipalities and its governance structure,
  - g). Relevant Local Government Legislation
- 7.2 Advanced research, policy analysis, development skills, strategies, practices:
- a). Undertaken advanced research in previous projects and showed in the Methodology and Project Plan and in the experience
  - b). Undertaken advance policy analysis in previous projects and showed in the Methodology and Project Plan and in the experience
  - c). Demonstrated that the bidder has developed training and skills plans for previous projects
  - d). Demonstrate strategies developed in previous projects and practical examples included in the bidder's proposal
- 7.3 Knowledge and proven track record (experience) of the team in smart city/ urban renewal projects
- 7.4 Proven experience in local government will be an added advantage:
- a). Bidder demonstrates in the proposal other projects undertaken for local government
  - b). Bidder demonstrates in the proposal understanding of the 3 spheres of government

- c). Understanding of the Local Government 25-year Review
- d). Bidder demonstrates understanding of Stakeholder Engagement

7.5 Bidders must also provide supporting evidence of the professional registration where applicable of the team of consultants in relation to the following professions below and references relating to smart cities/ urban renewal projects with proven reference letters that specifies similar work undertaken:

- 7.5.1 Registered Professional Town and Regional Planner with SACPLAN – with Spatial and Development Planning Experience
- 7.5.2 GIS Technologist registered with SAGC – with mapping and analysis of spatial data
- 7.5.3 Economist – research in economics, economic analysis, interpretation and forecasting of market trends (Finance), and Local Economic Investment
- 7.5.4 Urban Designer – experience in Urban Design, architecture projects, layout and 3 D Modelling
- 7.5.5 Project Manager – experience in project management, team leader, managing deliverables, achieving targets, monitoring and evaluation, ensuring stakeholder satisfaction, managing project risks, developing progress reports.
- 7.5.6 Environmentalist – socio economic assessments, environmental impact assessment,
- 7.5.7 Civil Engineer – advisory services

**NOTE: No team members must assume dual roles**

7.6 Ability to identify risks, new opportunities and develop appropriate solutions and strategies through a Risk Management Plan:

- a) Demonstrates the ability to identify risks in this project in the proposal
- b). Demonstrates the ability to propose mitigation measures to the risks
- c). Demonstrate in the proposal that the bidder has the understanding to propose solutions
- d). Demonstrate the Bidder will through the Project Plan incorporate risk preventative measures to deliver on Project Milestones

7.7 Advanced analytical, diagnostic, transformation, report writing, presentation, and project management and facilitation skills,

7.8 The Urban Designer must be experienced in Urban Design Programs through Auto CAD or similar, advanced 3 D Modelling using BIM or similar

## 8. Performance measurement/ reporting

To facilitate the performance of the successful service provider and monitor its scope of work, the DCoG will:

- 8.1 Enter into a Service Level Agreement (SLA) that will govern the relationship between DCoG and the service provider.
- 8.2 The SLA will include project assignments that will address each of the project deliverable.
- 8.3 Establish a Project Steering Committee to manage, monitor and oversee the project. This committee will ensure that:
  - (a) Services are rendered timeously;
  - (b) Timeframes as far as possible are not extended;
  - (c) Will render a quality assurance function; and
  - (d) Will ensure that additional costs are not incurred unnecessarily.
- 8.4 The service provider will be expected to table progress reports for each deliverable contained in the project/ implementation plan as agreed to and as per the SLA.
- 8.5 Monitor the payment schedule that will be attached to the SLA. Payments will therefore only be approved and processed on the basis of the achievement of deliverables as per the project/ implementation plan and related performed project activities.
- 8.6 These deliverables and related payments will be recommended by the Project Manager and approved by the Project Steering Committee.

## 9. Form of proposal

Bidders are requested to comply with a specific format when submitting their bids. It is suggested that the format specified in the ToR corresponds with the various elements of the bid evaluation system to facilitate the evaluation and scoring of bids, e.g.:

### Functionality

- (a) Methodology (Project Plan)
- (b) Bidder' Experience
- (c) Qualifications (team members)
- (d) Training and skills transfer

### Pricing

- (a) Methodology project implementation plan aligned to deliverables
- (b) Project costing per Deliverable 5 Phases 1-3, inclusive of Admin costs (offices, computers, telecom, travelling)
- (c) Any other costs (to be specified by bidder)
- (d) Value Added Tax
- (e) Ceiling price (all-inclusive total tender price)

9.1 A bidder must include **a detailed project/ implementation plan/ methodology** with the **detailed** budget reflecting all costs as per the proposal in their bid aligned to deliverables and scope of work.

**Failure to submit the detailed project plan and budget containing cost-breakdown according to the deliverables (as per the proposal) together with the bid will result in the bidder' bid being invalidated and rejected.**

The following information must be included in the project/ implementation plan:

- (a) Project implementation plan that indicates the following:
  - (i) Clearly defined milestones that are 100% aligned to each of the key objectives as well as each of the expected outputs/ deliverables as outlined in the scope of work.
  - (ii) Well defined timelines for each of the activities and deliverables.
  - (iii) Allocation of human resources and cost-breakdown for each of the activities and deliverables.
- (b) Proposed governance arrangements to support project implementation which may include but not limited to:
  - (i) The establishment of a project steering committee.
  - (ii) The establishment of a project management team inclusive of the service provider and the DCoG team.
  - (iii) Provision of secretariat support for the governance structures that will be established.
- (c) Skills Transfer Plan developed in line with the Terms of Reference.
- (d) Previous and current similar contracts awarded to the bidder as well as client references.

**Failure to include the above stated information together with the bid document on the closing date and time will invalidate the bid.**

## 10. Bid Prices

10.1. Bidders must express prices for their services in South African currency (Rand). All prices must be inclusive of Value Added Tax and costs to be incurred that are necessary for the execution and completion of the contract in accordance with the bid document. Prices will remain firm for the duration of the contract.

**10. Bid evaluation system**

10.1 All bids duly lodged will be evaluated to determine compliance with bid requirements and conditions. Bids with obvious deviations from the bid requirements/ conditions of bid and not acceptable to the evaluation committee will be eliminated from the adjudication process (i.e. will not be shortlisted). All bid proposals submitted will be evaluated in accordance with the 80/20 principle and the evaluation criteria should be as follows:

**Stage 1: Compliance with minimum requirements of the bid**

All bids duly lodged will be evaluated to determine compliance with requirements and conditions of the bid. All proposals that do not comply with the administrative requirements/conditions of the bid will be disqualified.

All bids that comply with the minimum requirement/conditions of the bid will be evaluated in two stages:

**Stage 2: Functionality will be assessed as per Scorecard as indicated below.**

**Stage 3: The qualifying bidders in the Stage 2 will be evaluated further on price and BEE Contributor Level using 80/20 preference point system as prescribed in Preferential Procurement Policy Framework Act 2000, Preferential Procurement Regulations 2017 and approved CoGTA Supply Chain Management Policy 2017.**

The evaluation will be done as follows:

(i)	<b>Functionality.....</b>	<b>100</b>
(ii)	<b>Price.....</b>	<b>80</b>
(iii)	<b>B-BBEE Contributor level.....</b>	<b>20</b>

**STAGE 1**

- **Mandatory requirements (SCM).**
- **Compliance (submitted/not submitted):**

**Compliance**

Requirements	Yes	No
a) CVs of 7 core team members including copies of qualifications and certifications and proof of professional registration where required with supporting letter of good standing  Team Leader – Registered Professional Town and Regional Planner GIS Technologist – Registered with SAGC Economist Urban Designer Project Manager Environmental Scientist Registered with SACNASP Civil Engineer Registered with ECSA		
b) Methodology and Project Plan (Gannt Chart) as per section 4 (phases 1, 2, 3) and section 5 (phases 1, 2, 3) of the TOR		
c) Reference Letters of similar work undertaken		
d) Training and skills transfer plan		
e) Pricing breakdown		

**Failure to submit all the above with the bid will result in the bidder's bid being viewed as invalid and therefore rejected and only bidders who comply with all of the above will be evaluated further onto stage 2.**



**FUNCTIONAL EVALUATION: STAGE 2A**

The following criteria will be applied for functionality to assess all the bidders who complied with minimum requirements: The bidder must comply with at least 3 of the 4 requirements for each team member to be evaluated further.

- **Team Leader - Registered Professional Town and Regional Planner with SACPLAN**

Requirements	Max Score 4
1 Professional Town and Regional Planner Registered with SACPLAN	
2 At least 5 years' post registration experience in areas such as Policy Development in Spatial and Urban Development Planning, project management, strategy development and developing frameworks, understanding local and international smart city initiatives and strategies, and project management and urban design	
3 Knowledge and proven track record (experience) in areas such as smart city/ urban renewal projects as per section 7.3 of TOR	
4 Signed and contactable references relating to smart cities/ urban renewal and spatial planning projects with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **GIS Technologist registered with SAGC**

Requirements	Max Score 4
1 Professional GIS Technologist registered with SAGC	
2 At least 3 years' experience – in areas such as with mapping and analysis of spatial data, Strategy development and developing frameworks, understanding local and international smart city initiatives and strategies, and project management and urban design	
3 Knowledge and proven track record (experience) in smart city/ urban renewal projects as per section 7.3 of TOR	
4 Signed and contactable references relating to spatial analysis and understanding of mapping smart cities/ urban renewal initiatives/ projects with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **Economist**

Requirements	Max Score 4
1 Degree (NQF7) in Economics or Finance	
2 At least 5 years' experience in research, in areas such as economics, economic analysis, interpretation, forecasting of market trends (Finance), Local Economic Investment, forecasting financial investment opportunities in spatial economic zones, added advantage experience in Economic Funding Opportunities	
3 Knowledge and proven track record (experience) in areas such as smart city/ urban renewal projects as per section 7.3 of TOR	
4 Signed contactable references relating to research in economics, economic analysis, interpretation and forecasting of market trends (Finance), and Local Economic Investment 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **Urban Designer**

Requirements	Max Score 4
1 A Degree (NQF7) in Urban Design or Architecture	
2 At least 3 years' experience in areas such as Urban Design, architecture projects, layout and 3 D Modelling, Understanding of Strategy development and developing frameworks, understanding local and international smart city initiatives and strategies	
3 Knowledge and proven track record (experience) in Urban Design, architecture projects, layout and 3 D Modelling as per section 7.3 of TOR	
4 Signed contactable references relating to smart cities/ urban renewal projects in Urban Design, architecture projects, layout and 3 D Modelling with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **Project Manager**

Requirements	Max Score 4
1 Certificates or Qualification in Project Management	
2 At least 3 years' experience in areas such as project management, team leader, managing deliverables, achieving targets, monitoring and evaluation, ensuring stakeholder satisfaction, managing project risks, developing progress reports.	
3 Knowledge and proven track record (experience) in areas such as project management, team leader, managing deliverables, achieving targets, monitoring and evaluation, ensuring stakeholder satisfaction, managing project risks, developing progress reports as per section 7.3 of TOR	
4 Signed Contactable references as Project Manager or Team Leader in projects with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **Environmentalist**

Requirements	Max Score 4
1 Degree (NQF7) in environmental or natural science Registered as a Professional Scientist with SACNASP	
2 Minimum of 3 years' experience in areas such as the environmental field, Understanding in Strategy development and developing frameworks, understanding local government from an Environmental urban resilience perspective	
3 Knowledge and proven track record (experience) such as socio-economic assessments, Strategic Environmental Assessments and environmental impact assessment projects as per section 7.3 of TOR	
4 Signed contactable references relating socio economic assessments, environmental impact assessment with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

- **Civil Engineer**

Requirements	Max Score 4
1 Recognised Qualification in Civil Engineering and Registered with ECSA as a Professional Engineer or Technologist	
2 At least 3 years' experience in areas such as the engineering field, Advisory Services from an engineering design perspective	
3 Knowledge and proven track record (experience) in areas such as engineering projects, Proven experience in advisory services will be an added advantage as per section 7.3 of TOR	
4 Signed contactable references relating to advisory services with proven reference letters that specifies similar work undertaken as per section 7.5 of TOR	

**The bidder must comply with at least 3 of the 4 requirements**

**FUNCTIONAL EVALUATION: STAGE 2B**

- (a) **The following criteria will be applied for functionality to assess all the bidders who complied with minimum requirements:**

The BEC will evaluate acceptable bids that meet the minimum requirements during functional evaluation stage 1 based on the proposals and bid documents submitted. The overall score will be expressed as a percentage (Total score divided by the maximum possible score, then multiplied by 100). The overall score obtained by a bidder will be the average of total scores awarded by BEC Panel Members. Only Bidders that received an overall score of at least 65% will proceed to stage 3: Price and BBBEE

Scoring System
1- Does not comply with the requirements
2- Partial Compliance with the requirements
3- Full compliance with requirements
4- Exceeds requirements (where applicable)

Requirements	Max Score 4
<p><b>Acknowledged understanding of the legislative landscape of the system of local government in South Africa as per section 7.1 of the TOR</b></p> <p>a). Including knowledge of Smart Cities Framework,                      b). Integrated Urban Development Framework,                      c). District Development Model,                      d). National Development Plan,                      e). Spatial Planning Land Use Management Act no.16 of 2013                      f). The different categories of municipalities and its governance structure,                      g). Relevant Local Government Legislation</p> <p><b>The Proposal:</b>                      1= Adequately addresses none or one (1) of the elements listed above                      2= Adequately addresses two (2) to three (3) of the elements listed above                      3= Adequately addresses four (4) to six (6) of the elements listed above                      4= Adequately addresses all Seven elements listed above.</p>	
<p><b>Advanced research, policy analysis, development skills, strategies, practices as per section 7.2 of the TOR</b></p> <p>a). Undertaken advanced research in previous projects and showed in the Methodology and Project Plan and in the experience                      b). Undertaken advance policy analysis in previous projects and showed in the Methodology and Project Plan and in the experience                      c). Demonstrated that the bidder has developed training and skills plans for previous projects                      d). Demonstrate strategies developed in previous projects and practical examples included in the bidder’s proposal</p> <p><b>The Proposal:</b>                      1= Adequately addresses none or one (1) of the elements listed above                      2= Adequately addresses two (2) of the elements listed above                      3= Adequately addresses three (3) of the elements listed above                      4= Adequately addresses all four (4) of the elements listed above.</p>	
<p><b>Proven experience in local government will be an added advantage as per section 7.4</b></p> <p>a). Bidder demonstrates in the proposal other projects undertaken for local government</p>	

- b). Bidder demonstrates in the proposal understanding of the 3 spheres of government
- c). Bidder demonstrates understanding of the Local Government systems and operations
- d). Bidder demonstrates understanding of Stakeholder Engagement

**The Proposal:**

- 1= Adequately addresses none or one (1) of the elements listed above
- 2= Adequately addresses two (2) of the elements listed above
- 3= Adequately addresses three (3) of the elements listed above
- 4= Adequately addresses all four (4) of the elements listed above.

**Ability to identify risks, new opportunities and develop appropriate solutions and strategies through a Risk Management Plan as per section 7.6 of the TOR**

- a). Demonstrates the ability to identify risks in this project in the proposal
- b). Demonstrates the ability to propose mitigation measures to the risks
- c). Demonstrate in the proposal that the bidder has the understanding to propose solutions
- d). Demonstrate the Bidder will through the Project Plan incorporate risk preventative measures in order to deliver on Project Milestones

**The Proposal:**

- 1= Adequately addresses none or one (1) of the elements listed above
- 2= Adequately addresses two (2) of the elements listed above
- 3= Adequately addresses three (3) of the elements listed above
- 4= Adequately addresses all four (4) of the elements listed above.

**Maximum Possible Score**

16

**Bidders who meet all the minimum requirements for stage 1, stage 2 A and stage 2 B will be evaluated further to stage 3**

**STAGE 3**

**EVALUATION IN TERMS OF THE 80/20 PREFERENCE POINT SYSTEM**

All received bids will be evaluated in terms of the 80/20-point system as stipulated in Preferential Procurement Regulations, 2017. 80 points will be allocated for price and 20 points for attaining the B-BBEE status level of contributor.

Points for price will be calculated only for shortlisted bidder/s as follows:

**80/20**

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

**Where**

- Ps** =Points scored for competitive price of bid or offer under consideration
- Pt** =Competitive price of bid or offer under consideration; and
- Pmin** =Competitive price of lowest acceptable bid or offer

**The maximum possible score that can be achieved for price is 80 points.**

**NB:** Bidders are required to, together with their bids submit original and valid B-BBEE status level verification certificates or certified copies to substantiate their B-BBEE rating claims. A bid will not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution nor is a non-compliant contributor. Such a bidder will score zero out of maximum of 20 points for B-BBEE.

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
<b>1</b>	<b>20</b>
<b>2</b>	<b>18</b>
<b>3</b>	<b>16</b>
<b>4</b>	<b>12</b>
<b>5</b>	<b>8</b>
<b>6</b>	<b>6</b>
<b>7</b>	<b>4</b>
<b>8</b>	<b>2</b>
<b>Non-compliant contributor</b>	<b>0</b>

**Note:** No preference will be awarded without submission of a valid B-BBEE certificate.

The total points (out of 100) for the various bidders will be calculated by adding the points for price (out of 80) and the points for BBEE Contributor Level (out of 20).

## 12. AWARDING OF BID

The bid will be awarded to the bidder who scored the highest total number of points as prescribed in the PPPFA, SCM Policy of 2017 and Preferential Procurement Regulations of 2017.

In exceptional cases the bid may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points. Reasons for such decision must be approved and recorded for audit purposes and must be justifiable in the court of law (as prescribed on the Preferential Procurement Regulations 2017).

### (a) Joint Ventures, Consortiums and Trusts:

A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. DCoG will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement. The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

### (b) Sub-contracting:

Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting. The following is an extract from the PPPFA Act:

- (i) “A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.”
- (ii) “A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.”

**IN EVALUATING THE TECHNICAL INFORMATION CONTAINED IN THE BID, THE EVALUATION COMMITTEE WILL BE GUIDED BY THE FOLLOWING:**

- (a) **Bidder’s understanding of the brief** – The bid provides a clear indication that the bidder fully understands the purpose and scope of the work and the bidder’s own roles and functions in this regard. (Methodology).
- (b) **Capability and experience** – The bid provides a clear indication that the bidder’s team comprises people with the necessary qualifications, experience, skills, knowledge and required to ensure the efficient and effective generation of the required deliverables to the highest standards of quality.
- (c) **Track Record** – The bid provides clear information on previous, relevant projects that confirm that the bidder has the required experience and success track record in the area of general project management and management related projects.

**13. Briefing session and presentations by shortlisted bidders**

A non-compulsory briefing session will be held as **stated on the cover page of the bid document**. Bids from companies/organisations that did not attend the compulsory briefing session may not be disqualified.

**14. Contact information:**

Prospective bidders may not under any circumstances make contact with or engage any DCOG officials other than the officials indicated below on any matter related to this tender. Enquiries must be directed to all the officials below. Enquiries sent to the DCOG officials below will be routed to the relevant employees and responses will be coordinated and provided by the officials indicated below.

ENQUIRIES		
<b>Name:</b>	<b>Ms. Busisiwe Masilela</b>	<b>Mr. Mogoma Sekgothe</b>
<b>e-mail:</b>	<a href="mailto:txx.2021@cogta.gov.za">txx.2021@cogta.gov.za</a>	

**The Department reserves the right to disqualify any bidder that makes contact with or directly engages any other DCOG employee on matters / enquiries / questions related to this tender**