SECTION 2.1: SPECIFICATIONS

MINIMUM SPECIFICATIONS & REQUIREMENTS

1. BACKGROUND

The Municipality comprises of approximately 600 permanent employees and operates on a decentralised model for seven (7) different towns and settlements, with Riversdale being the Head Office.

The Hessequa Municipality wishes to appoint a consultant to undertake an organisational review in line with the requirements of the Municipal Staff Regulations as per Government Gazette nr 45181 published on 20 September 2021. The project period will be for a maximum period of 6-months. This period will start within 3 weeks of the newly elected Council approving a report to conduct an organisational review.

In terms of the Municipal Staff Regulations a Municipality must undertake a review of its organisational structure and staff establishment following a local government election. The organisational structure must be responsive to the service delivery priorities of the Council and aligned to the IDP.

The review must be guided by:

- Effectiveness to enable the municipality to deliver on its mandate and the needs of its stakeholders in an integrated way.
- Efficiency, to enable the municipality's services to be delivered in a cost effective manner; and
- Empowerment, to ensure that the municipality is able to develop and deploy the required capabilities of the municipality effectively.
- The socio-economic demographics and geographic spread of service delivery requirements.
- The organisational design metrics as outlined in the Municipal Staff Regulations.

The Macro structure of the Municipality is currently aligned as follows: -

- Technical Services
- Financial Services
- Community Services
- Corporate Services, and
- Development Planning

However, due to a variety of reasons, the grouping of functions at the third and fourth reporting levels may be misaligned and require analysis and recommendations.

2. SERVICE TO BE RENDERED.

The project is in four phases:

2.1 **Phase 1: Initializing**

2.1.1 Phase 1 must focus on engaging stakeholders and setting up the logistics of the project which will include -

(a) Identify and meet with key role players of all stakeholders.
(b) Finalise terms of reference.
(c) Submission and final approval of project plan with key milestone.

Initials of Service Provider's Authority: .....

2.2 Phase 2: Conduct organisational analysis

2.2.1 Conduct functional analysis of the work performed in the municipality and group these functions in the most productive, responsive and cost-effective manner.

2.2.2 Analyse current service delivery model and staff establishment.

2.2.3 Compare data sets and statistics to optimise design options.

2.2.4 Use Design Principles contained in the Municipal Staff Regulations to guide the analysis process.

2.2.5 Identify threats, opportunities, strengths, and weaknesses of the existing staff establishment.

2.3 Phase 3: Design the staff establishment

2.3.1 Design and propose a functional operating model (FOM).

2.3.2 Design and propose an optimal organisational structure (in ORG PLUS) per unit in line with the following organisational design principles:

(a) Sustainable and financial viability
(b) Adherence to legal frameworks
(c) Maximise effectiveness of service delivery
(d) Flexible and scalable for future changes
(e) Optimal and productive municipality
(f) Organisation design metrics in respect of employee ratio, structural layers and shape, span of control in terms of Table 3, Guideline Regulation 5.
(g) Identify and review the key processes that underpin each of the services in the SDM (RACI matrix) in terms of Guideline Regulation 7(1)-7(4) for proposed changes.

2.3 **Phase 4: Reporting and Implementation Plan**

2.4.1 Design an operational change management process to implement changes, including new decision-making workflows.

2.4.2 Prepare an implementation plan to effectively support staff establishment changes in liaison with the Municipal Manager/HR Division.

2.4.3 Compile a close-out organisational review report to Council with pre-determined metrics. Details of the required report are outlined below:

a. Outline of the process followed in drafting the reviewed staff establishment
b. Set out the mandate and service delivery priorities for the municipality and how the proposed staff establishment addresses these?
c. Summarise the proposed posts that will –
   i. Materially change
   ii. Change to a limited or non-material degree
   iii. Be abolished; and
   iv. Not be affected by the changes
d. Motivate any proposed changes, and link them to the strategic drivers within the Integrated Development Plan, including an analysis of the strengths, weaknesses and limitations of the current establishment;
e. Provide details of the financial implications of the changes.
f. Outline the non-financial implications of the changes, including the impact on existing staff and key stakeholders within the municipality.
g. Propose an implementation plan with specific timeframes within which the new staff establishment will take effect; and
h. Outline the stakeholder and change management requirements.

2.4.4 Conduct consultative meetings with stakeholders.

Initials of Service Provider's Authority: .....

3. REQUIREMENTS OF THE SERVICE PROVIDER

3.1 Provide Company Profile. The bidder must have at least 8 years' practical experience in the field of organisational design and/or work study in local government (particulars to be included in the Curriculum Vitae's of consultants).

3.2 Proof of undertaking similar projects in at least three Municipalities or Public Sector entities in South Africa.

3.3 The methodology that will be followed and how the deliverables will be rolled out, as well as time frames and related costs, must be included in the quotation.

3.4 Curriculum Vitae's and copies of qualifications of each member of the team must be submitted with the quotation (the Municipality may require that the original certificates or certified copies thereof be presented for perusal).

3.5 All reports and written work must be done in MS Word. The project with milestones must be drafted and submitted in MS Project. All organisational structure work must be done in OrgPlus. All workflow proposals must be done in MS Visio.

3.6 Please provide an example of final report provided to a Municipality where work was done? (Names can be deleted)

4. TIME FRAMES AND COSTING

The project must be completed within 6 months from the decision of Council. (estimated period is April 2027 – September 2027) The Tenderer must submit a process plan with realistic timeframes for the completion of the project within 6 months.

The prices and rates to be inserted in the pricing table are to be the full inclusive prices for the work described under the several items, VAT included. Such prices shall cover all costs and expenses (including travel, accommodation &
subsistence) that may be required in and for the work described, and shall cover all preliminaries, profits, general risks, liabilities and obligations set forth or implied in the documents in which the quotation is based.

4.1 A specified quotation is required and no deposit is payable on acceptance of the quote.
4.2 Prices quoted must be fixed and must include VAT.
4.3 No claims for misunderstanding the scope of works will be entertained by the municipality.
4.4 The proposed costing by the service provider must also include:
(a) One original hard copy of all documents produced;
(b) Electronic copies of the report, structure etc.;
(c) Research cost; and
(d) Travelling, accommodation and own meals in respect of visits, meetings and workshops.

Failure to provide the information or adhere to the conditions as stated above, will result in your tender being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED
(NAME) .....

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Initials of Service Provider's Authority: .....

AUTHORISED

SIGNATURE: .....

NAME: .....

CAPACITY: ..... DATE:.....