



Province of the
EASTERN CAPE
OFFICE OF THE PREMIER

TERMS OF REFERENCE FOR

APPOINTMENT OF A PROJECT MANAGEMENT SERVICE PROVIDER FOR MANAGEMENT OF MERSETA PROJECT FOR A PERIOD OF 36 MONTHS

SCMU1-24/25-0001

Date Issued:

Compulsory briefing date and time:

Closing date and time:

Bid Validity Period: 90 days

PREPARED BY:

OFFICE OF THE PREMIER

PRIVATE BAG X 0047

BHISHO

TENDER BOX

INDEPENDENCE AVENUE, BISHO

EASTERN CAPE OFFICE OF THE PREMIER

ECDC BUILDING

1. BACKGROUND

The Strategic Skills Development Unit in the Eastern Cape Office of the Premier (ECOTP) is implementing a variety of skills development programmes for unemployed youth in the province to enable them to attain work experience which is much needed by the job market. To achieve this, the ECOTP entered into an agreement with the Manufacturing, Engineering and Related Services SETA (MerSETA) to empower 2420 beneficiaries, broken down into 340 Apprentices, 160 Engineering students for University Work Integrated Learning, 200 TVET students for Work Integrated Learning, 200 graduate interns, 20 learnerships and 1 500 short skills programmes in the Manufacturing and Related Industry.

2. OBJECTIVE

The objective of this project is to appoint a qualified Project Management Company with experience in the skills development domain to provide Project Management functions relating to the implementation of the skills development projects in different learning interventions, working with different provincial departments.

3. SCOPE OF WORK

The Project Management Company is expected to render the required services in accordance with the following scope of work:

3.1 Initiation

- 3.1.1 During this phase the bidder will prepare an inception report confirming their understanding of the scope of work, methodology, timelines, and budget. This report should be submitted within a month after signing the contract.
- 3.1.2 The bidder will be expected to provide a detailed proposal on how the work will be successfully carried out, including a description of how the project management team will maintain this project for the agreed period.
- 3.1.3 Provide a projectized workplan with an itemised budget and indication of the total cost of the proposed work plan.

- 3.1.4 Provide a project management system to be used.

3.2 Implementation and reporting

The Project Management Company will be responsible for managing and administering MerSETA project initiatives which will, *inter alia*, include:

- 3.2.1 Securing suitable and accredited Skills Development Providers.
- 3.2.2 Managing onboarding and induction of service providers who are awarded projects to ensure all ECOTP's requirements and criteria are fully met during the project's lifecycle.
- 3.2.3 Be responsible for learners' administration entirety.
- 3.2.4 Advising and guiding awarded companies on recruitment criteria, especially on technical programmes.
- 3.2.5 Providing learner support and monitoring i.e., induction, transfers, and terminations.
- 3.2.6 Assessing readiness of trade testing including the arrangement of trade test dates, gap analysis, testing of learners and all its logistics for all ending in trade test programmes.
- 3.2.7 Providing weekly, monthly and quarterly monitoring reports to the Director: Strategic Skills Development or his/her delegate on all activities undertaken on the programmes.
- 3.2.8 Providing Office of the Premier with a comprehensive database of all learners on the different programmes.
- 3.2.9 Ensuring quality training is being provided, through close collaboration with the quality assurance function of MerSETA.
- 3.2.10 Liaising with internal and external stakeholders on implemented projects to manage risks and resolve project related issues.
- 3.2.11 Ensuring skills delivery project administration such as internal communications, procedural controls (e.g., documentation control, issues control), filing, organising meetings, tracking of participants, obtaining facilities, services and materials is undertaken across all projects.
- 3.2.12 Ensuring all project supporting documentation is obtained, verified, and recorded

according to the ECOTP's processes for accurate reporting.

3.2.13 Paying trainees (TVET and graduate interns for Work Integrated Learning, learnerships and short skills programmes) monthly stipends.

3.2.14 Submitting monthly financial statement on project expenditure including proof of payment for the stipends and administration fees.

3.3 Monitoring & evaluation

3.3.1 Manage post implementation reviews and create recommendation reports to identify successful and unsuccessful skills projects.

3.3.2 Monitor and evaluate the progress of the service delivery as per the deliverables outlined in the scope of works, contract, and Service Level Agreement (SLA).

3.3.3 Lead and coordinate internal project update meetings and document skills delivery project status.

3.3.4 Provide project advice, leadership, guidance, and written progress report on each stage of the project to ensure compliance and governance to the Director: Strategic Skills Development or his/her delegate.

3.3.5 Report to the Director: Strategic Skills Development or his/her delegate, any matters relating to this project including the project implementation plan.

3.3.6 Update project payment schedule and timely processing of payments.

3.3.7 Submit project close out report to Director: Strategic Skills Development or his/her delegate.

3.3.8 Maintain all records with due consideration of the POPI Act 4 of 2013. All records will be handed over to the ECOTP as and when required.

3.4 Project deliverables

3.4.1 Assist the provincial government to advocate and advertise the project to suitable skills development providers.

3.4.2 Secure accredited training providers who meet MerSETA and industry requirements and

specifications for the awarded programmes.

- 3.4.3 Identify companies that possess MerSETA Workplace Approval for the technical learning programmes. These identified companies should be able to facilitate National Skills Development Management System (NSDMS) registration of learners and uploading of mentors for trade related programmes.
- 3.4.4 Liaise with the MerSETA regional/provincial office to ensure that all learners are duly registered on the Learner Management System (LMS).
- 3.4.5 Provide two thousand four hundred and twenty (2420) beneficiaries with relevant theoretical training and workplace exposure for the duration of their programme.
- 3.4.6 Facilitate the registration process of Apprentice, Artisan Recognition of Prior Learning, Skills Programmes, Learnerships and Workplace Experientials.

4. COMPETENCY AND EXPERTISE REQUIREMENTS

Bidders are required to adhere to the following requirements:

- 4.1 Bidders must demonstrate knowledge and experience in managing funded SETA Skills Development programmes towards apprenticeships and Higher Learning Institutions (Universities & Colleges) guidelines on MerSETA engineering and workplace experientials.
- 4.2 Bidders must have an extensive knowledge of Skills Development legislation such as Skills Development Act 97 of 1998 (Skills Development Act), Skills Development Levies Act 9 of 1999, National Qualification Framework Act 67 of 2008, South African Qualifications Authority Act 58 of 1995 and Quality Council of Trades and Occupations established in 2010 in terms of Skills Development Act.
- 4.3 Bidders must be registered as a Skills Development Facilitator (SDF) and provide proof of registration as an SDF with a minimum of three (3) years using the MerSETA NSDMS and LMS
- 4.4 Bidders must have a minimum of five (5) years proven track record as a project management company in skills development projects.

- 4.5 Bidders must be registered with the relevant project management professional body namely; PMBOK, Prince2 (foundation or practitioner), Project Management Professional, Certified Project Management Practitioner, Certified Project Manager.
- 4.6 Bidders must provide proof of payroll management system or stipend payment mechanism that will enable the disbursement of monthly stipend to approximately 2000 learners.
- 4.7 Bidders must provide audited financial statements of the last financial year as presented by an independent auditor.
- 4.8 Bidders must provide a bank code (A-C) letter not older than one (1) month from the bid closing date.

5. CONDITIONS OF THE BID

Bidders must submit their bid proposals on the stipulated closing date and time noting that **late bids will not be considered.**

- 5.1 Bidders must comply with all conditions pertaining to the terms of reference requirements.
- 5.2 Bidders must submit all required documents in support of the bid as per mandatory and functionality criteria set in section 7 below (pages 7 to 9).
- 5.3 The ECOTP reserves the right to request clarity seeking information at any time during the evaluation process.
- 5.4 The successful bidder is expected to enter into a Service Level Agreement (SLA) ECOTP after the award of the contract.
- 5.5 The SLA shall be prepared by the ECOTP to include such terms and conditions commonly included in agreements of such nature, together with any other terms and conditions which are required by the ECOTP (whether arising from the specifications of the successful bidder's proposal or otherwise).

- 5.6 After careful consideration and thorough examination of the proposals, the ECOTP shall select the successful Bidder whose proposal most closely satisfies the criteria and the requirements. The lowest price (management fee) offered will not necessarily be a decisive factor in choosing between Proposals.
- 5.7 ECOTP reserves the right to terminate the contract should the successful bidder fail to perform according to the requirements stipulated in the SLA.
- 5.8 The successful bidder must have premises or offices within the Eastern Cape province from which business will be conducted within twenty-one (21) days upon receipt of the appointment letter.
- 5.9 Bidders which have not been selected shall be informed accordingly in writing and through publication of the successful bidder in the same media that was used to advertise the bid.

6. COMPULSORY BRIEFING SESSION

A compulsory briefing session will be held Virtual on MS Teams on the 3rd of June 2024 at 11H00.

7. BID EVALUATION CRITERIA

The bid will be evaluated in three (3) phases as follows:

- 7.1 Phase 1: Pre-qualification criteria (**Mandatory requirements**)
- 7.2 Phase 2: Functionality Criteria
- 7.3 Phase 3: Price and Specific Goals

7.4 SCM ADMINISTRATIVE COMPLIANCE

- 7.4.1 **Submission of compulsory documents** – prospective bidders must comply with the requirements and submit all required documents indicated hereunder with the bid documents at the closing date and time of bid.
- 7.4.2 **This phase is not scored, however, bidders who fail to comply with all the mandatory criteria will be disqualified.**

Mandatory Criteria	Supporting documents
Company Track record: Minimum of five (5) years proven track record as a Project Management Company in skills development projects	• Company profile indicating/ demonstrating the number of years implementing skills development projects.
Financial Capability: • Provide proof of financial statements. • Provide bank code letter.	• Audited financial statements of the last financial year as presented by an independent auditor. • Bank code (A-C) letter not older than one (1) month from the bid closing date.
Payroll Management System: Proof of payroll management system or stipend payment mechanism that will enable the disbursement of monthly stipend to approximately 2000 learners.	• A sample of disbursement report with confidential information redacted.
Minimum project team: • One (1) Project Leader with a minimum of five (5) years' experience and registered with a professional body as outlined in section 4.5. • At least two (2) Project Coordinators with a minimum of three (3) years' experience and registered with Occupational Directed Education and Training Development Program (National certificate or National Diploma). • At least one member must be registered as SDF with a minimum of three (3) years' experience working with NSDMS and LMS systems - registered with a professional body as outlined in section 4.3.	• Copies of qualifications • CV's of team members and their roles and responsibilities in the project. • Proof of registration with professional bodies.
Proposal with methodology: Proposed execution plan to cover the Scope of Work	Submit a proposal clearly outlining the methodology and implementation plan:

Mandatory Criteria	Supporting documents
and Project Deliverables	• The Scope of Work and Project Deliverables. • Financial management plan. • Stakeholder management plan. • Risk management plan.

Bidders who fail to comply with all the mandatory criteria will be disqualified.

7.5 TECHNICAL FUNCTIONALITY (Phase 2)

7.5.1 **Functionality** will be based on the evaluation criteria noted in the table below. Each of the evaluation criteria in the table will carry a weighting as indicated.

7.5.2 The bidder must score a minimum of 35 points out of the 70 points for each arear outlined in the Functionality in order to qualify to proceed to the next stage of the evaluation process, presentation/interview session.

7.5.3 The minimum score of 35 points must cover all 3 arears as outlined below (Company experience, Financial Statements and Bank rating).

7.5.4 **Phase 2.1 CRITERIA** The service provider must meet the functionality criteria as set out below:

Functionality Criteria	Scoring	Weight
Experience		
<u>Company Experience</u> Company Profile Completion of Annexure B indicating the relevant projects that the company has successfully completed. Reference Letters as evidence of related project management services previously and successfully conducted (as indicated in Annexure B).	Experience should be backed by relevant reference letters issued by credible and traceable clients. • 10 + valid reference letters attached= 30 points • 5 to 9 valid reference letters attached= 20 points • 3 to 4 valid reference letters attached = 10 points • 1 to 2 valid reference letter attached =	30 points

Functionality Criteria	Scoring	Weight
NB: The Reference Letter(s) must be in the letterhead of the previously serviced client and should reflect at least name of the client, description of the project, value of the project, year conducted, year completed, contactable reference name and contact details.	5 points No valid reference letters attached = 0 points.	
Financial capacity		
<u>Financial statements</u> Audited financial statements as presented by an independent auditor.	The financial statements will be assessed as follows: Current Ratios = Current Assets / Current Liabilities 2+ = 20 points 1,25 + to 1,9 = 15 points 1,25 = 10 points	20 points
<u>Bank Rating</u> Bidder must submit a bank rating letter not older than one (1) month from the bid closing date.	The bank rating will be assessed as follows: - Code A = 20 points - Code B = 15 points - Code C = 10 points	20 points
Total weight		70
<i>Due diligence may be conducted to verify all information that has been provided.</i>		

7.6 Phase 2.2 Compulsory presentation session

- 7.6.1 Bidders must score a minimum of 35 points to be considered to make a presentation of their proposal.
- 7.6.2 Selected bidders will be invited to participate in the second assessment stage for presentation/interview session. Presentation will be scored out of 30 points.

7.6.3 Presentations will be held at the ECOTP at ECDC Building, Independence Avenue, Bisho where each bidders' proposed Project Manager will be expected to present.

7.6.4 Bidders must score a minimum of 25 points on presentation.

7.6.5 Bidders must score a minimum of 60 points combined (functionality and presentation) to be considered for the next phase (Price and Specific goals).

7.6.6 Presentation: The short-listed bidders shall be expected to provide a compulsory presentation to the ECOTP team on the project management tool and on how they will manage the implementation of the project.

7.6.7 The bidder might be asked to clarify issues or questions that might arise during evaluation. Each presentation shall be for a maximum of 30 minutes.

Functionality Criteria	Scoring	Weight
Presentation		
Bidders must present:	• Demonstrates understanding of Legislative Framework that governs Skills Development = 5 points • Demonstrates understanding of Eastern Cape Skills Development Landscape and the status of young people in the province = 5 points • Demonstrates understanding of the Scope of Work and Project Deliverables = 10 points • Methodology and implementation plan aligned to the scope of work and deliverables including project management tool and business intelligence reports to be utilised = 10 points.	30 points
Total Weight		30

7.7 PHASE 3 PRICE & SPECIFIC GOALS

7.7.1 Only Bidders that have met all the requirements of the above criteria will be evaluated in phase 3 for price and specific goals. Price and specific goals will be evaluated as follows:

7.7.2 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations,

7.7.3 preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in the table below as may be supported by proof/ documentation stated in the conditions of this tender.

7.7.4 The applicable preference point system for this tender is the 80/20 preference point system. The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

Points awarded for Specific Goals

Specific goals for this tender and points claimed are indicated per the table below.

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Documentation to be submitted by bidders to validate their claim for points
Youth owned entities	5	-ID document. -Company registration
Women owned Entities	5	- Company registration -ID document
Entities owned by people with disabilities	5	Proof of disability such as SASSA registration or confirmation of disability from a relevant authority
South African citizen – who, had no franchise in national elections prior to	3	-ID document - Company registration

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Documentation to be submitted by bidders to validate their claim for points
the introduction of the Constitution of the Republic of South Africa Act 110 of 1983 or the Constitution of the Republic of South Africa Act 200 of 1993		
Eastern Cape based Suppliers	2	Municipal Bill statement / Lease agreement
Total	20	

Specific goals points will be allocated to bidders on submission of documentation stated above as evidence required to substantiate the points claimed.

8. FORMAT OF THE BID SUBMISSION

Document that must be submitted	Explanatory information
Invitation to Bid – SBD 1	Complete and sign the supplied document
Tax Compliance Status	In the event where the Bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification as well SARS e-filing verification outcome will take precedence.
Declaration of Interest – SBD 4	Complete and sign the supplied document
SBD 6.1	Submit ID copy, company registration, proof of disability such as SASSA registration or confirmation of disability from a relevant authority and proof of residence to validate the claim for points on specific goals.
Registration on Central Supplier Database (CSD)	Service Provider must be registered on CSD. If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit CSD printout as proof of registration.

9. SUPPLIER DUE DILIGENCE

ECOTP reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include interviews, presentations, site inspection and requests for additional information.

10. SUBMISSION OF PROPOSALS

10.1 Bid documents must be placed in the bid box situated at ECOTP Main Building, Ground Floor at security, Independence Avenue, Bhisho **OR** couriered to the aforesaid address on or before the closing date and time. Service Providers who courier document must ensure that the document is placed in the bid box before the closing date and time.

10.2 Bid documents will only be considered if received by ECOTP before the closing date and time, regardless of the method used to send or deliver such documents to ECOTP.

10.3 Bids will be opened in public immediately after **closing time at 11:00** where the name of the bidder and the financial offer will be read out loud.

11. PROJECT COSTING

11.1 The project management fee must be calculated based on the scope of work outlined in the terms of reference.

11.2 The travelling costs for the project Manager must be encapsulated within the project management fee. It will be on a rate per km and should be aligned to AA rates.

11.3 A cost breakdown must be given to cover the full project as detailed in Annexure A- pricing schedule.

11.4 The proposed project pricing must be in South African rand value and VAT inclusive.

ANNEXURE A – PRICING SCHEDULE

NAME OF BIDDER.....

OFFER TO BE **VALID FOR NINETY (90) DAYS** FROM THE CLOSING DATE OF BID.

ECOTP is seeking services from suitable service providers for **APPOINTMENT OF A PROJECT MANAGEMENT SERVICE PROVIDER FOR MANAGEMENT OF MERSETA PROJECT FOR A PERIOD OF 36 MONTHS**

ITEM NO.	ITEM DESCRIPTION	PRICE	QUANTITY	TOTAL
A Fixed				
1	TVET	R 2 000	200	
2	Graduate Interns	R 5 000	200	
3	Short skills	R 1 500	1500	
4	WIL Engineering (P1 & P2)	R 88 000.00 (this is the total training cost inclusive of stipend cost)	160	
5	Learnership	R 4 500 stipend per learner	20	

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ITEM NO.	ITEM DESCRIPTION	PRICE	QUANTITY	TOTAL
6	Apprenticeship (<i>stipends will be paid by ECOTP, however Project Management company is expected to include variable costs associated with its administration</i>)	206 290.00 (this is the total training cost per apprentice inclusive of stipend)	340	
B - Variables				
1	Project Management & Administration Cost			
2	Disbursement costs			
C	Sub Total			
D	Vat (15%) – if applicable			

TOTAL AMOUNT CARRIED TO FORM OF BID

R.....

AMOUNT IN WORDS:

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

ANNEXURE B– BIDDERS MUST FULLY COMPLETE THE FOLLOWING TABLE INDICATING THEIR TRACK RECORDS AND REFERENCES

NO.	COMPANY / CLIENT'SNAME	CONTRACT VALUE	CONTRACT PERIOD	PROJECT DESCRIPTION	CONTACTABLE REFERENCES		
					NAME OF CONTACT PERSONS	WORK E- MAIL ADDRESS	WORK TELEPHONE NUMBERS
1.							
2.							
3.							
4.							
5.							
6.							

NO.	COMPANY / CLIENT'SNAME	CONTRACT VALUE	CONTRACT PERIOD	PROJECT DESCRIPTION	CONTACTABLE REFERENCES		
					NAME OF CONTACT PERSONS	WORK E-MAIL ADDRESS	WORK TELEPHONE NUMBERS
7.							
8.							
9.							
10.							
11.							

Bidders Name:_____

Date: _____

Signed by: _____

Signature: _____

SPECIFICATION RECOMMENDED:

RICHARD CHIGUME (MR)
BSC DEPUTY CHAIRPERSON

DATE:

APPROVED / NOT APPROVED

MBULELO SOGONI (MR)
DIRECTOR GENERAL

DATE: