



**enterprise ilembe**

ECONOMIC DEVELOPMENT AGENCY

## **TERMS OF REFERENCE**

***FOR***

**The Appointment of an implementing Agent for the Provision of Business Development Services (BDS) within iLembe District Municipality.**

**Closing Date: 23 July 2018**

**Closing Time: 11h00**

**Venue: Sangweni Tourism Centre, Ballito**

It is the intention of Enterprise iLembe to enter into a formal 36-month contract with a single service provider or consortium to provide the services described herein. These Terms of Reference and the consultant's proposal will form the basis of the contract.

## Section 1: Details

Province: KwaZulu-Natal

Agency: Enterprise iLembe Economic Development Agency

Project Name: The Appointment of an implementing Agent for the Provision of **Business Development Services** (BDS) within iLembe District Municipality.

## Section 2: Project Description

Enterprise iLembe is an economic development agency wholly-owned by the iLembe District Municipality mandated to pursue and facilitate investment, economic development and empowerment in iLembe. The objective of Enterprise iLembe is to improve the competitiveness of the iLembe Region by creating an environment that will enable local business to compete successfully on the international stage.

Enterprise iLembe, to achieve on the mandate as stipulated above intends to appoint a service provider that will provide business development services to SMMEs within iLembe District. Enterprise iLembe commissioned a study for the development of a Business Incubator within the iLembe District, the study shall be made available to the successful bidder.

The objective of the appointment is to provide assistance for start-up, sustainability and growth stages of entrepreneurs or SMME's within the iLembe District. The successful bidder shall provide business development services and Enterprise iLembe shall provide the premises upon which the SMMEs will be housed and provided with suitable workspace.

The service provider shall provide services to SMMEs in the following economic sectors:

- Manufacturing
- Construction
- Mining
- Renewable Energy
- Agro-Processing & Biofuels
- Agriculture
- ICT
- Tourism

The Business Development services shall be provided to SMMEs from all the Local Municipalities within iLembe District: KwaDukuza, Maphumulo, Mandeni and Ndwedwe Local Municipalities. The main facility where SMMEs will be provided with workspace will be within KwaDukuza Municipality and there will be satellite offices in the three other local Municipalities.

## Section 3: Description of the Project

The proposed BDS provider shall support Enterprise iLembe and iLembe District Municipality achieve its goals, initiatives and strategies aimed at achieving inclusive economic growth and sustainable local economic development in the District by providing BDS to existing, expanding and new SMMEs within iLembe District on the following constructs:

Theme	Constructs
Support	<ul style="list-style-type: none"> <li>• Enterprise Development</li> <li>• Supplier Development</li> <li>• Mentorship</li> </ul>
Skills	<ul style="list-style-type: none"> <li>• Industry specific</li> <li>• Non Industry specific</li> <li>• Business skills</li> </ul>
Markets	<ul style="list-style-type: none"> <li>• Access to Markets</li> <li>• Business linkages</li> <li>• Localization policies</li> </ul>
Funding	<ul style="list-style-type: none"> <li>• Access to Business Finance</li> <li>• Grants</li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Awareness and understanding of Government initiatives for SMMEs</li> </ul>

Project duration is 36 months from date of appointment.

## **Section 4: Pre-qualification Criteria**

In line with the PPPFA regulations of 2017, the Entity will consider bids received in terms of the following approach by applying the following pre-qualification criteria:

- At least 51% owned by black youth (advancement of Youth especially during Youth month)

The preference will be given to entities in terms of the following order:

- Firstly – suppliers and businesses operating within the iLembe District;
- Secondly – If no suitable suppliers are found within the iLembe District, suppliers and businesses operating within the Province of KwaZulu-Natal shall be considered;
- Thirdly – If no suitable suppliers are found within the Province of Kwa-Zulu Natal, suppliers and businesses operating within the Republic of South Africa shall be considered.

All bidders that do not meet the above criteria will be disqualified and not considered for further evaluation.

## **Section 5: Deliverables & Ceiling Costs**

### **Reporting**

The service provider will work in close co-operation with Enterprise iLembe who will act as contract co-ordinator and the link between the service provider and the District and Local Municipalities.

The Service Provider will be required to prepare and present progress reports coinciding with each of the agreed milestones. Where considered necessary the Service Provider will also be expected to compile reports and presentations for other bodies as required by the Enterprise iLembe. The service provider will be expected to keep financial records and other appropriate records.

Funding is made available by Enterprise iLembe for the project. **Service providers are requested to include the annual budget implications with the escalations.**

Payments will be made on invoices submitted for work completed per achieved milestone. On receipt of invoices rendered the service provider should allow at least 4 weeks for the payments to be processed.

## **Section 6: Documentation and Confidentiality**

Ownership of all documentation, material and data produced within the context of this brief, whether in hard or digital format, shall remain the property of Enterprise iLembe Economic Development Agency.

Information and data which is generated in the context of the project; may not be made available to any third party without prior permission of the Chief Executive Officer. All project material shall be presented in both hard copy and electronic format.

## **Section 7: Non - Appointment**

Enterprise iLembe has a right not to make an appointment should it find that proposals received do not meet the specified criteria / requirements and is not compelled to accept the lowest quotation.

## **Section 8: Requirements Related to Tender**

**Please note that it is mandatory to complete Annexure A, MBD 1, 4 and 6.1 forms. Failure to complete these documents and return it with your submission will disqualify your bid in its entirety.**

## **Submission of Proposals**

Proposals must be submitted in sealed envelopes endorsed “**PROPOSAL FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF BUSINESS DEVELOPMENT SERVICES**” and must be hand delivered and placed in the tender box at **Sangweni Tourism Centre, Cnr. Link Road & Ballito Drive, Ballito** and addressed to;

**The Chief Executive Officer  
Enterprise iLembe,  
Sangweni Tourism Centre,  
Cnr Link Road & Ballito Drive;**

and be received on or before : **23 July 2018 at 11h00**

Please note: All proposals must be hand-submitted to the tender box, and incomplete, faxed, emailed applications and applications received after the closing date and time **WILL NOT** be considered. Bidders using a courier service to deliver documents are responsible for ensuring that such delivered documents are physically deposited in the tender box.

## **Section 9: Adjudication Criteria**

Bids will be evaluated in terms of the Procurement Policy of Enterprise iLembe and shall be applied as follows: -

All proposals received shall firstly be evaluated on functionality and thereafter only those who qualify for the next stage of evaluation will be evaluated in terms of the PPPFA (No.5 of 2000) read together with the 2017 PPPFA Regulations.

Any bid that fails to achieve a minimum of 60 points on the functionality evaluation shall not be evaluated further and will be deemed to be non-responsive.

### **Functionality Evaluation**

The functionality evaluation points will be applied as per the table below; -

## Competencies

Bidders must demonstrate by submitting documentary proof in relation to the claim of points with respect to the following key competencies/areas:

Competency	Point Allocation	Maximum Points
Key expert 1  Educational qualifications on Business Administration or Entrepreneurship	<ul style="list-style-type: none"> <li>• No qualification - 0</li> <li>• National Certificate - 5</li> <li>• National Diploma/Degree - 10</li> <li>• Post graduate/Masters - 15</li> <li>• PHD - 25</li> </ul>	25
Key expert 2  Educational qualification in Finance or Accounting	<ul style="list-style-type: none"> <li>• National Diploma/Degree - 5</li> <li>• Post graduate/Masters -10</li> </ul>	10
Expert's experience in Business development or Enterprise Development or Business training	<ul style="list-style-type: none"> <li>• Below 1 year - 0</li> <li>• 1 to 5 years - 5</li> <li>• 6 to 10 years - 15</li> <li>• Above 10 years - 20</li> </ul>	20
Approach and Methodology  Proposal should clearly show how the service provider will achieve on the stipulated constructs: Business Support, skills, markets, funding and awareness	<ul style="list-style-type: none"> <li>• No proposal/ proposal reflects poor understanding of the TORs - <b>0</b></li> <li>• Proposal shows understanding of TOR but not clear on how results will be achieved on the propose constructs – <b>10</b></li> <li>• Proposal displays clear understanding of the TOR, clear on how results will be achieved but does not provide sufficient proof of ability to achieve these (past successes, letters of intent, etc.) - <b>20</b></li> <li>• Proposal displays clear understanding of the TORs, clear on</li> </ul>	30

	how results will be achieved on the constructs and provides sufficient proof of ability to achieve these - <b>30</b>	
Value-adding initiatives – bidders are to include any value-adding initiatives/ recommendations in respect of achieving enhanced results in the provision of Business Development services.  These are extended services that will improve the business environment for small business to flourish.	<ul style="list-style-type: none"> <li>• No Value adding initiatives – <b>0</b></li> <li>• Value adding initiatives submitted however no clear on how the small business environment will be enhanced - <b>5</b></li> <li>• Value adding initiatives submitted and clear on how the small business environment will be enhanced. – <b>15</b></li> </ul>	15

In order to be awarded points for the first and second competency listed (key expert 1 and key expert 2) above, please submit **certified copies of QUALIFICATIONS (COMPULSORY)**

In order to be awarded points for the third competency listed above, please submit a list of contactable references for similar projects undertaken by key experts in the following format:

Client Name	Nature of Work Undertaken	Start Date	Date of Completion	Client Contact Person	Tel No.

Only bidders who achieve a minimum of 60 points for functionality in terms of the above will then be evaluated in terms of the 80/20 points scoring system. Bidders wishing to claim preferential points must attach a B-BBEE certificate or a B-BBEE affidavit.



The 80/20 preference point scoring system will be applied with points allocated as follows:-

- 80 points for the price;
- 20 points for B-BBEE status level

The 20 preference points will be allocated based on B - BBEE status level of contribution and shall be allocated as per table below:-

Status Level of Contributor	Preference Points on scorecard (80/20 System)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-contributor	0

## Section 10: Required Annexures

### 1. Annexure A: Compulsory Information Sheet (see below)

### 2. Service Providers Proposal

### 3. Registration details & Compliance

- All interested bidders must be registered on the Central Supplier Database for Government. The detailed registration report must be attached to the proposal (along with the Supplier Number and the Unique registration reference number). **(Compulsory). Please visit <https://secure.csd.gov.za/> to register on the Central Supplier Database**
- All bidders must submit a Valid Tax Clearance Certificate (Compulsory). In line with the latest circular from SARS (South African Revenue Services), bidders can now submit a **UNIQUE PIN** to enable the municipality to verify the bidder's tax

compliance status online via E-filing.

- MBD 1, 4 and 6.1 Forms. **Please note that the MBD 6.1 Forms have been revised. Please ensure that the 2017 MBD 6.1 Forms are submitted. These forms are available upon request via e-mail or on our website [www.enterpriseilembe.co.za](http://www.enterpriseilembe.co.za)** . Bidders have the responsibility to ensure the correct version of the forms are submitted – in Enterprise iLembe's format **(Compulsory)**. Please note that the SBD forms will not be accepted.
- Bank confirmation letter
- Company registration documents showing all active members/ directors/ shareholders/ owners etc.
- Power of Attorney/ Signing authority where applicable
- B-BBEE Verification Certificate (Please attach the approved B-BBEE accreditation certificate if available in order to claim points for this.)

**Points to note regarding the B-BBEE Status Level:**

- Bidders other than EMEs must submit valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 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.
- Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

## ANNEXURE A – MANDATORY INFORMATION

Name of Company: \_\_\_\_\_

Contact Person/s: \_\_\_\_\_

Contact Number/s: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

Details	Reference to where can this information be found in the bidders proposal
Bidders Experience and Qualifications.	
Proof of previous experience specific to this project	
Proof of registration on the Central Suppliers Database for Government (Please include Supplier Number and the Unique registration reference number in proposal)	
Tax Clearance Certificate/ TCS Pin	
Business located within the iLembe District	YES <input type="checkbox"/> NO <input type="checkbox"/>
Total Price (Including VAT)	

**Above information certified correct:**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**NB: *By signing this annexure, the bidder accepts the clauses contained within these Terms of Reference.***