

TERMS OF REFERENCE (TOR)

APPOINTMENT OF RESOURCE(S)¹ FOR THE IMPLEMENTATION OF OVERSIGHT AND SUPPORT ON THE LOCAL GOVERNMENT INFRASTRUCTURE DELIVERY MANAGEMENT SYSTEM TOOLKIT (IDMS) WITHIN THE EIGHT PILOT MUNICIPALITIES OF THE MPUMALANGA AND FREE STATE PROVINCES COLLECTIVELY

1. BACKGROUND INFORMATION

The National Treasury fulfils a pivotal role in the implementation and management of the Public Finance Management Act (PFMA) No 1 of 1999, as well as the Municipal Finance Management Act (MFMA) No 56 of 2003. The essence of both these Acts are to regulate Financial Management in the Public Sector at National, Provincial and Local Government/ Municipal spheres. The PFMA as well as the MFMA are intended to ensure that all revenue, assets, liabilities and expenditures are effectively and efficiently managed and that the responsible officials are equipped with appropriate and necessary knowledge to adhere to in a compliant manner to the intentions stipulated in the respective Acts.

It is widely accepted that reforms in South Africa at the Legislative and Policy levels have provided a framework conducive for improving Financial Management in the National, Provincial and Local Spheres of Government.

At the same time, it is evident that huge skills gaps exist amongst infrastructure delivery management practitioners within different Spheres of Government.

1.1 The PINK CD Programme

The Procurement Infrastructure and Knowledge Management Capacity Development Programme (PINK) is aimed at 'improved cost effective, socially inclusive and sustainable Service delivery at Provincial and (but focusing mainly on) Local Government Sphere'.

To achieve this objective, PINK is aligned to the National Treasury priorities and aims to address three of the main causes of irregularities, namely:

- Fruitless and wasteful expenditure within Municipalities that impact significantly on their ability to provide basic Services;
- Weak procurement practices; and
- Poor infrastructure planning, delivery and management.

In addition, the PINK Programme is aware that there is a lack of capacity within Municipalities (and some Provincial Treasuries), thereby contributing to the challenge of complying with legislation, policies and guidelines regarding procurement and infrastructure management.

¹ Resource(s) are also referred to as consultant (s) in this document which could either be an independent consultant or consultant seconded by a company.

The overall objective of the PINK Programme will be achieved through the implementation of three Key Result Areas (KRA):

- **KRA 1** – More effective Supply Chain Management (procurement) at Local Government level;
- **KRA 2** – Enhanced infrastructure management (budgeting, planning and asset management) at Local Government level; and
- **KRA 3** - Knowledge Management and Peer Learning (Crosscutting).

The implementation of the PINK Programme is focused on the four municipalities in the Mpumalanga and the four municipalities in the Free State Provinces. Support will also be required for the National Treasury and the Provincial Treasuries in the selected Pilot Provinces so as to assist in strengthening their constitutional and legal roles and responsibilities in supporting their respective municipalities. To obtain sustainability of the first two KRAs, Knowledge Management and Peer Learning (e.g. Communities of Practice and Peer-learning) plays a prominent role which, together with the support to be provided to National Treasury in this regard, are included as cross-cutting activities for both KRAs.

1.2 Development of the IDMS for Local governments

The development of the Local Government Infrastructure Delivery Management System (LG IDMS) seeks to customise the generic IDMS as was published in November 2018. The customisation means the development of the relevant toolkits, which will be targeting a particular sphere of government based on applicable legislation. This process has already started in February 2020 with the appointment of a long-term IDMS technical expert.

The work done to date and the projection going forward suggest that the full development and testing of the LG IDMS Toolkit can be best realized if the work is categorised in FOUR distinct but interrelated packages as follows:

Work package one for National Treasury (separate ToRs which are not part of this tender) Policy Directive and Programme Support

- Support the Chief Directorate for Local Government Infrastructure (CD: PLGI) Unit with Policy Directives relating to infrastructure delivery.
- Provide programme support to the Chief Directorate: LGI.
- Provide programme support and technical assistance in a collaborative approach to Mpumalanga Provincial Treasury (MPL-PT) and Free State Provincial Treasury (FS-PT) respectively including the IDMS Technical Assistants (TA) appointed in these provinces.

Work package two (this tender): – Improving infrastructure delivery management in the MPL and FS PTs Infrastructure unit² and the identified Municipalities:

- Assist and facilitate the finalization and implementation of the LG IDMS Toolkit in support of infrastructure delivery within the four identified Municipalities; and
- Facilitate capacity building within the MPL and FS PTs unit responsible for local government infrastructure delivery.

² One service provider will be placed in FS PT and one service provider will be placed in MPL PT.

Work package three (separate ToRs which are not part of this tender) – Technical assistance, guidance, advice to National Treasury and Provincial Treasury and to the identified four pilot Municipalities within MPL province and four pilot municipalities within the FS province.

These work packages are to be implemented by a team of technical advisers as follows:

- One Technical Assistant to be placed at the National Treasury
- One Technical Assistant to be placed at the Mpumalanga Provincial Treasury (internal support to Mpumalanga Treasury Infrastructure Unit) (This ToRs).
- One Technical Assistant to be placed at the Free State Provincial Treasury (internal support to Free State Treasury Infrastructure Unit) (This ToRs).
- One Technical Assistant to be placed at the Mpumalanga Provincial Treasury (working from Provincial Treasury into the four municipalities and reporting back to Provincial Treasury and municipalities)
- One Technical Assistant to be placed at the Free State Provincial Treasury (working from Provincial Treasury into the four municipalities and reporting back to Provincial Treasury and municipalities)

SUMMARY OF THE ASSIGNMENT	
NAME OF PROJECT	Appointment of resource(s) for the implementation oversight and support on the Local Government Infrastructure Delivery Management System Toolkit within the eight identified Pilot municipalities of the Mpumalanga and Free state provinces collectively
LG IDMS Toolkit: Provincial Treasury Support	<p>This possible appointment consist of two positions as follows:</p> <p>(Position 1): Mpumalanga Provincial Treasury Support</p> <p>This support is about improving local government infrastructure delivery management in the Mpumalanga (MP) Provincial Treasury Infrastructure unit and will involves:</p> <ul style="list-style-type: none"> • Assisting and facilitating the finalization and implementation of the LG IDMS Toolkit in support of infrastructure delivery within the four identified Municipalities; and • Facilitating capacity building within the (MP) Provincial Treasury unit responsible for local government infrastructure delivery. <p style="text-align: center;">AND</p> <p>(Position2): Free State Provincial Treasury Support</p> <p>This support is about improving local government infrastructure delivery management in the Free State (FS) Provincial Treasury Infrastructure unit and will involves:</p> <ul style="list-style-type: none"> • Assisting and facilitating the finalization and implementation of the LG IDMS Toolkit in support of infrastructure delivery within the four identified Municipalities; and • Facilitating capacity building within the FS Provincial Treasury unit responsible for local government infrastructure delivery.
PROJECT NUMBER	Project Number:

PINK COMPONENT / KRA	KRA 2: Planning and Budgeting (focus on Infrastructure Procurement)
INTERNAL CLIENT	Mpumalanga and Free State Provincial Treasuries in collaboration with the Chief Director: Provincial and Local Government Infrastructure in the National Treasury
PROJECT LEADER	Nobuntu Sibuyi
PROJECT TIMELINE	18 months

2. OBJECTIVE AND SCOPE OF WORK

2.1 Overall objective of the project

The overall objective of this project is to assist the Provincial Treasuries of Mpumalanga and Free State provinces with the execution of their legal infrastructure mandates with regard to infrastructure delivery management in support of the roll out and testing of the Local Government IDMS Toolkit.

In this role, the consultant will provide services in:

- Supporting and guiding the development, testing and implementation of the LG IDMS Toolkit as per the roll-out plan.
- Build capacity within the Provincial Treasury to deliver upon their legal infrastructure mandates with regard to infrastructure delivery.
- Assisting with the alignment of the LG IDMS Toolkit with the generic IDMS Toolkit.
- Alignment of LG IDMS Toolkit terminology in relation with terminology used in the Local Government.
- Strategically advising the Technical Assistants appointed in the municipalities to apply and test the LG IDMS toolkits within the municipalities.
- Facilitate and develop an engagement / communication aimed at sustaining the implementation of the LG IDMS Toolkit.
- Support and guide capacity building in National, Provincial Treasuries and the pilot Municipalities
- General reporting on the implementation of the project.

2.2 Specific scope of work

The Consultant will be expected to deliver on the following tasks:

Task 1: Improve infrastructure delivery management capacity in the Mpumalanga (MP) or Free State Provincial Treasury in the Infrastructure unit and the identified Municipalities.

Task 2: Create awareness and initiate sustainability indicators amongst LG IDMS Toolkit Stakeholders and Role Players.

Task 3: Support and guide the creation of an enabling environment for the Municipal Officials to sustainably implement Council resolutions on the LG IDMS Toolkit and any other supporting initiative.

Task 4: Support the development, implementation, testing and enhancement of the LG IDMS Toolkit whilst facilitating alignment across all three (affected) spheres of government.

Task 5: Assist National Treasury and Provincial Treasuries with the compilation of accurate infrastructure project control budget(s).

Task 6: Support National Treasury and Provincial Treasuries with the implementation of the LG IDMS Toolkit by following the principles set out in the LG IDMS Toolkit roll out strategy.

Task 7: Support Provincial Treasury in developing, supporting and updating governance documents for example; Agency Agreements between Organs of State and other relevant documents.

Task 9: Initiate and sustain the Dynamic Knowledge Transfer process to institutionalise the Local Government IDMS Toolkit.

PROJECT OUTPUTS / DELIVERABLES

2.3 The following outputs will be expected from the Resource (s):

- An inception report to be produced within 30 working days from the date of the letter of appointment or contract whichever is issued first. To be reflected in the inception report shall be the knowledge transfer capacity building approach and plan on the PT nominated officials.
- Detailed work plan that translate the ToRs into implementable work packages and timeframes, clearly articulated in the context of an acceptable project or programme management framework.
- Monthly, quarterly and annual progress reports with specific progress reports against each of the identified tasks.
- Close out report at the end of the contract.

3. ASSUMPTIONS, RISKS, MITIGATION STRATEGIES AND OPPORTUNITIES

Based on situational analysis, the Risks, Assumptions and Mitigation measures captured in the table below need to be addressed. The mitigation action will be facilitated and addressed by the National Treasury.

Risks	Assumptions	Mitigation
<ul style="list-style-type: none"> • LG IDMS Toolkit not completed and not available. • The IDMSBOK interactive IT platform is not functioning 	<p>All core IDMS Knowledge deliverables are available to support the Local Government IDMS Toolkit process</p>	<p>Procure IDMSBOK Technical Team as a sense of urgency to finalise outstanding work and deliverables that are important to create an enabling environment for the PINK Project</p>
<ul style="list-style-type: none"> • IDMSBOK Technical Assistant Team not procured and available to support the SECO intervention 	<p>IDMSBOK Technical Assistance are procured and functioning effectively</p>	<p>Procure IDMSBOK Technical Team as a sense of urgency to support impact of SECO PINK project</p>

<ul style="list-style-type: none"> The development of the enhanced Local Government IDMS is delayed. 	<p>The project is completed on time and it produced all the required reports and modules to develop dynamic knowledge management process.</p>	<p>Ensure that there is alignment and cooperation with the project development of the local government IDMS Toolkit and the IDMSBOK project</p>
<ul style="list-style-type: none"> Insufficient funds to procure the necessary resource to execute the outputs and deliverables. Insufficient funds to develop and roll out structured training interventions. 	<p>Funds available to support structured IDMS Training interventions for Local Government PINK Pilot Municipalities</p>	<p>Engage with PINK PMU pertaining to funding challenges should there be a challenge</p> <p>Engage with other potential donors for donor support through SECO</p>
<ul style="list-style-type: none"> Municipalities have agreed to be pilots, but then do not cooperate as required. 	<p>Municipalities will agree and participate in the enhancement of the Local Government IDMS Toolkit process</p>	<p>Consultative process in getting municipality to participate, clear articulation and well documented of what is expected from the municipalities.</p>

4. RISKS AND ASSUMPTIONS

The current environment is presenting the following risks and assumptions, which has to be factored in the proposed work plan:

Risks:

- The required higher-level IDMS deliverables may not be in place in time to give direction to this project.
- Unavailability of funding.
- Issues beyond the control of the project.
- Instability in the pilot municipalities.
- Restrictions on certain activities as may be imposed by National Government at any given point in time.

Assumptions:

- The appointed consultant will be well received and supported by the Provincial Treasury.
- The appointed consultant will have the capacity and the capability to deliver on the ToRs.

5. COORDINATION WITH OTHER PROGRAMMES

The PINK Programme will work closely with Municipal Finance Improvement Programme (MFIP) III (NT funded programme), European Union (EU) EU funded FMIP IV and Deutsche Gesellschaft für Internationale Zusammenarbeit Government Support Programme (GIZ GSP) II and the Infrastructure

Delivery Management System Body of Knowledge (IDMSBOK) project funded through the General Budget Support Programme (EU).

National Treasury's funded programme MFIP III, provides Public Finance Management (PFM) support to Local Government. The programme's focus is on the six key focus areas:

- Audit outcomes;
- Budgeting and Reporting;
- Asset Management;
- SCM;
- Revenue Management; and
- Municipal Standard Chart of Accounts (mSCOA).

The EU funded and upcoming Financial Management for Improved Service Delivery (FMISD) PFM Capacity Development Programme will include broad-scale education, training and development (ETD) solutions for PTs and Municipalities on SCM.

GIZ's Governance Support Programme (GSP) II programme only focused on selected Municipalities in Mpumalanga and the Eastern Cape Provinces. GSP II seeks to conduct a comprehensive review of the SCM value chain per Municipality and make recommendations for its improvement.

The infrastructure focus area of the PINK intervention will be supported by the IDMSBOK process and intervention. The IDMSBOK is co-funded by the General Budget Support Office through the Chief Directorate International Donor Coordination and the Chief Directorate Provincial and Local Government Infrastructure.

6. PROJECT LOCATION AND REPORTING

The appointed Consultant(s) will be placed in each of the Provincial Treasury Offices as follows:

Position 1: The is Position shall be available from the Mpumalanga Provincial Treasury Offices located on Government Boulevard in Nelspruit or any other location as the Mpumalanga Provincial Treasury may deem fit.

Position 2: This Position shall be available from the Free State Provincial Treasury Offices located in Fidel Castro Building, Bloemfontein or any other location as the Free State Provincial Treasury may deem fit.

With regard to reporting, the Service Provider(s):

- Will be expected to report directly to the relevant Provincial Treasury as per each position as above and against the approved work plan.
 - A governance process will escalate the reports to the National Treasury, which will finalise the administration process.
- Must expect to travel to Pretoria for certain meetings including knowledge sharing sessions with the rest of the LG IDMS Toolkit Team (officials and other Service Providers)
- Upon request by the Provincial Treasury, the Service provider may be asked to work directly with a municipality on a prior identified matter or issue.

7. APPOINTMENT

The contracting authority will appoint two Consultants against these ToRs. Each of the two appointed Consultants will be placed in each of the two provinces as follows:

- One Expert will be appointed for Position 1
- One Expert will be appointed for Position 2

8. QUALIFICATIONS

The Consultants should be in possession of at least but not limited to a relevant minimum NQF 6 tertiary qualification in the built environment.

9. EXPERIENCE, SKILLS AND KNOWLEDGE

The Individual Consultant(s) should have demonstrable experience, expertise and knowledge in the following areas:

- Applied knowledge of applicable municipal legislation.
- Proven knowledge of Programme or Project Management in terms of infrastructure delivery and procurement experience within a Local Municipality
- Practical knowledge on municipal infrastructure delivery (financial and non-financial)
- Applied Knowledge of Change Management;
- Report writing, Communication and Presentation skills;
- Stakeholder management;
- Proven experience in Mentoring and Coaching on infrastructure delivery management or programme or project environment.

The Resource(s), or Individual Consultant(s) should also be:

- Able to work independently;
- A good team player and able to work in collaboration with a diverse team of stakeholders.

10. OPERATIONAL REQUIREMENTS

- The Consultant(s) will be responsible for the provision of his/her computer equipment (portable computers etc.) and internet connectivity.
- The Consultant will be required to travel between the NT, PT from their indicated base offices and to the relevant 8 pilot Municipalities upon request. All approved travel related expenses will be reimbursed at cost subject to the provisions of the PINK Operating Manual.

11. TIMEFRAME OF CONTRACTING PERIOD

11.1 The following conditions will be applicable to the appointed Consultant(s):

- Full-time basis for a period of up to **18 months**. The first 3 months will be considered a probation period after which it will be upon the discretion of the contracting party "Ecorys" to continue with the contract for the remaining 15 months should NT or PT not be satisfied with the performance of the Service Provider;
- The contract might be extended based on performance and availability of funding.

- The Consultant(s) will work from the allocated base office and will be required to work a minimum of 40 working hours (8 hours a day) not exceeding 160 hours per month for the duration of the contract unless otherwise agreed by the parties; and
- The contract will be reviewed quarterly based on performance.

12. CONTRACTUAL ARRANGEMENTS

The appointed Consultant (s) will be contracted by the appointed implementing agent of the PINK project which is Ecorys Nederland B.V.

13. MONITORING AND REPORTING

The performance of the Consultant (s) will be monitored by the project manager or the assigned official on a monthly basis using the monthly progress report against the approved work plan.

Monthly progress reports may be synthesised and rolled up to quarterly reports, which will also be submitted to the project manager or the nominated official after each quarter.

All reports will be submitted and approved by the project manager or nominated official before they are submitted to the National Treasury for processing.

14. SUBMISSION OF CURRICULUM VITAE AND PROPOSAL (METHODOLOGY AND APPROACH) – SHOULD BE READ INCONJUNCTION IN PARAGRAPH 1.2 OF ANNEXURE B, “INSTRUCTION TO THE BIDDERS”

- 14.1 Service Providers must submit detailed Curriculum Vitae, which meets the requirements of these ToRs.
- 14.2 Service Provider(s) must submit the proposal with a minimum of 3 pages and the maximum of 5 pages.
- 14.3 Companies are allowed to tender for the positions on condition that the company submits **NO MORE** than **two (2) curriculum vitae** for the positions being applied for.
- 14.4 A short description of projects previously undertaken and at least three (3) contactable references on projects completed. (Description of Projects must not be more than 500 words each).

15. DISQUALIFICATIONS

- A Service Provider submitting more that the specified number of documents (based on **Paragraph 14** above) will automatically be disqualified.
- Service Providers failing to meet the requirements of the “Eligibility and Suitability Criteria” outlined in paragraph 1.2.1 -1.2.3 of Annexure B, Instruction to the Bidders attached herein as part of the tender document will also be disqualified from the evaluation process relating to this bid