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*Better District, Better Life and Growth for all.*

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Alfred Nzo Development Agency SOC Ltd  
Reg nr: 2008/009093/30

## **TERMS OF REFERENCE**

**FOR**

**THE APPOINTMENT OF SERVICE PROVIDER FOR THE  
PROVISION OF SHORT SKILLS PROGRAMME ON NEW  
VENTURE CREATION LEVEL 2**

**BUSINESS DEVELOPMENT SUPPORT PROGRAMME:  
SKILLS DEVELOPMENT 2021/2022 FINANCIAL YEAR**

**Issued and prepared by:**

**Alfred Nzo Development Agency**

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## **1.BACKGROUND AND OVERVIEW OF THE PROJECT**

### **1.1 INTRODUCTION**

The Alfred Nzo Development Agency (ANDA) is an institution of the Alfred Nzo District Municipality (ANDM); it is established in terms of the Municipal Systems Act No. 32 of 2000 and regulated in terms of the Municipal Finance Management Act No 56 of 2003. ANDA is registered in terms of the Companies Act No 71 of 2008. ANDA is governed by a plethora of legislation and regulations that intend to support and strengthen its role in transforming society and the developmental state.

Enterprise Development and Support Services of the Alfred Nzo Development Agency as approved by the Alfred Nzo Development Agency Board of Directors has Skills Development and Capacity building, programme of the Multi Year Business plan of the Agency compels the Agency to concentrate on improving the skills base of the population of the Alfred Nzo Region and also provide skills that respond to the economy of the region.

The strategic objectives of the Skills Development are listed as follows:

- Increase the contribution of small enterprise to the growth of the ANDM economy and transfer skills to the unemployed.

In order to ensure that all these objectives are achieved, Alfred Nzo Development Agency respond to the Ministers pronouncement and applied to the LG SETA for training of 120 unemployed people for a short skills programme in new venture creation level 2 in 2021/2022 financial year.

### **1.2 OBJECTIVE**

To secure services of and accredited training provider to conduct training to the 120 recruited learners as per the allocation by the Fibre Processing and Manufacturing Sector Education and Training Authority (LG SETA). The partner must be accredited by the Services SETA and any relevant Seta to render this qualification.

### **1.3 PURPOSE**

The purpose of the training is to equip the aspiring entrepreneurs in the small, medium and micro enterprise (SMME) with the technical, business, managerial and personal skills to create and sustain a business. The qualification is part of the National Qualification Framework and is available to individuals who do not have formal training and are working in or wish to work in or manage a SMME business.

The new Venture creation Level 2 is a short skills Programme for six (06) months practical and theoretical training programme that allows the learner to access to and mobility within the SMME sector. The qualification meets the need of the society by providing the entrepreneur with the skills to improve personal circumstances thereby contributing to the upliftment of the community.

### **1.4 OBJECTIVES OF THE QUALIFICATION**

- This qualification is designed to empower people who are already working, or who intend to work, in any setting relevant to community development.
- It will provide learners with the competencies which they need to act as change agents and so add value in the practice of community development.
- Learners acquiring this qualification will develop the knowledge and skills to operate effectively in the community development environment, in support of individuals and organisations (both emerging and existing) in achieving their community development goals and objectives.
- Learners will gain the competencies needed to identify community needs while working with communities and households, to identify and plan community projects for social change, to improve the quality of life of communities in an integrated and sustainable manner and to mobilize resources.

## **2. SCOPE & EXTENT OF WORK**

Developing and implementing a training Programme that is a Short Skills Programme Certificate: New Venture Creation level 2 inclusive of a structured theoretical and practical training such as facilitation, assessments, moderations and mentorship

phase. The Programme will capacitate the learners who are on fashion designer business within the Alfred Nzo District,

**The Training must adhere to these conditions:**

- Learners pre – assessment methods to be used to select learners to be enrolled onto the Programme.
- Registration and legal issues
- Learners’ attendance management methods, reporting methods to ANDA, ANDM and LG SETA, project management and learners exit strategy.
- The Theory phase must be conducted at Emfundisweni Skills Development and Resources Centre and Mbizana Cultural village.
- The Service Provider will pay for the use of the facilities at Emfundisweni Skills Development and Resources Centre, e.g., training venues and accommodation for the facilitators.
- The service provider must provide lunch for the learners.
- The learners will bear the cost for the accommodation, and for two meals that is breakfast and dinner.
- All the learners that are enrolled in the programme will be entitled to stay inside emfundisweni premises, the only exception will be done to the learners coming from the emfundisweni area.
- The learner and facilitators will be contracted by the Emfundisweni Accommodation and Catering co-operative for the use of facilities and meals.
- Valid accreditation in New Venture Creation Level 2.

**3. DELIVERABLES**

- 120 learners trained on business management, finance, marketing and costing skills to ensure sustainable SMME’s and wealth creation.
- 120 learners been have acquired skills that enables them to tender for business opportunities within both the public and private sectors.

**UNIT STANDARDS AND LEARNING OUTCOMES: FOR NVC LEVEL 2 FOR 6 MONTHS: 112 CREDITS**

	ID	UNIT STANDARD TITLE	LEVEL	NQF LEVEL	CREDITS
Core	<a href="#">119674</a>	Manage finances for a new venture	Level 2	NQF Level 02	10
Core	<a href="#">119668</a>	Manage business operations	Level 2	NQF Level 02	8
Core	<a href="#">119666</a>	Determine financial requirements of a new venture	Level 2	NQF Level 02	8
Core	<a href="#">119667</a>	Identify the composition of a selected new venture's industry/sector and its procurement systems	Level 2	NQF Level 02	8
Core	<a href="#">119670</a>	Produce a business plan for a new venture	Level 2	NQF Level 02	8
Core	<a href="#">119672</a>	Manage marketing and selling processes of a new venture	Level 2	NQF Level 02	7
Core	<a href="#">119673</a>	Identify and demonstrate entrepreneurial ideas and opportunities	Level 2	NQF Level 02	7
Core	<a href="#">119669</a>	Match new venture opportunity to market needs	Level 2	NQF Level 02	6
Fundamental	<a href="#">9007</a>	Work with a range of patterns and functions and solve problems	Level 2	NQF Level 02	5
Fundamental	<a href="#">7480</a>	Demonstrate understanding of rational and irrational numbers and number system	Level 2	NQF Level 02	3
Fundamental	<a href="#">8964</a>	Write for a defined context	Level 2	NQF Level 02	5
Fundamental	<a href="#">8967</a>	Use Language and communication in occupational learning programme	Level 2	NQF Level 02	5
Elective	<a href="#">119671</a>	Administer Contracts for a selected New Venture	Level 3	NQF Level 03	10
Elective	<a href="#">119712</a>	Tender for business or work in a selected new venture	Level 3	NQF Level 03	8
Elective	<a href="#">13912</a>	Apply knowledge of self and team in order to develop a plan to enhance team performance	Level 3	NQF Level 03	5
Elective	<a href="#">13932</a>	Prepare and process documents for financial and banking processes	Level 3	NQF Level 03	5
Elective	<a href="#">14340</a>	Maintain an existing information system in a business environment	Level 2	NQF Level 02	4

- 120 Learners to be trained in Certificate: New Venture Creation Level 2
- 2 Months Theory phase to be conducted at Emfundisweni Skills Development
- Mentorship and coaching programme conducted over a period of 4 Months:

**The outcome of these mentoring and coaching activities will include:**

- Registration and legalizing business ventures (CSD and SARS Registration)
- Bank Account
- Developing financial management systems
- Creating business related files
- Developing a Mock tender document
- Establishing profitable local relationships

- Placement of learners to businesses of community related projects

The appointed Service Provider must offer the full qualification and ensure certification of the qualifying learners at the end of the programme.

- The Service Provider is required to submit the implementation plan before the training commence.

**Learners accredited with this Qualification must be able to:**

- Design and present a formulated business plan complete with operational goals and objectives
- Demonstrate the ability to analyse and understand the relationship between costs, revenue and profits.
- Demonstrate the characteristics of a successful entrepreneur.
- Analyse and evaluate the risk and potential of new ventures.
- Develop and apply specific techniques for developing ideas for new ventures.
- Demonstrate knowledge of the tender process and use tenders to secure business.
- Demonstrate an understanding of perfect and imperfect competitive markets and factors that influence the economic activity.
- Implement knowledge of accounting systems and financial statements when managing finances in a new venture.
- Apply different language structures and features to suit communicative purpose and demonstrate the ability to effectively write on a range of topics as well as edit writing.
- Understand the importance of enhancing performance levels and motivating in a leadership context

Alfred Nzo Development Agency will not be able to release the last payment to the service Development Provider without proof the learners uploaded on the Higher Education Database as well as Services Seta. SDP to submit SORs as the proof that the learners are evaluated.

**4. GENERAL CONDITIONS OF THE CONTRACT**

- **Bidder to check the completeness of the document**

- Bidder to check the completeness of the document. The bidder is required to check the number of consecutively numbered pages and should any found to be missing or in duplicate, or the text of figures indistinct, or should there be any doubt or obscurity as to the meaning of any part of these documents, the bidder must ascertain the true meaning or intent of the same prior to the submission of his/her bid, as no claims arising from any incorrect interpretation will be admitted. It should be noted that it is the responsibility of the service provider to ensure that upon submission of proposals, a valid entity registration document, Tax Clearance Certificate/pin and BBBEE Certificate/affidavit is included.

- **Validity period for bid/quote**

All prices must be valid for a period of three months (90 days) from the closing date of the bid.

- **Pricing**

All items as described in the project specification are to be priced in full. If a bidder does not bid all items, his/her bid may be rejected. Per item prices to include VAT. Transport/Delivery costs must be included in the pricing. It must not be a separate item. The bid price page must be signed by an authorised person. The pricing of the service provider must be per learner as the payment will be done as per learners trained and mentored.

- **Service Level Agreement.**

The successful bidder and the Alfred Nzo Development Agency in partnership with LG SETA will sign a Service Level Agreement prior to commencement of works.

- **Project site handover to Service Provider**

The Service Provider will be introduced to the project participants following the Bid award. The sites will be handed over to the service provider who will control the sites for the contract duration. Only the service provider's own employees, LG SETA, ANDM and Alfred Nzo Development Agency representatives will be allowed on site. The Service provider will be responsible for the administration, training and control of



the attendance of the learners as that will affect his claim. The claim of the service provider depends on the number of learners trained and monitored.

## **5. PROJECT TIME FRAME**

The above deliverable must be completed within 120 working days from the start date, with the following timeline (based on one consultant): The New Venture Creation Level 2 (SMME) is 6 months short skills programme with practical and theoretical training programme. 70% of the training programme is based on the practical component and 30% on Theoretical component.

## **6. STAKEHOLDERS CONSULTATION**

Where necessary, the successful service provider will be required to undertake stakeholder consultations and engagements as it is a vital and an ongoing requirement to ensure support and buy-in towards the successful completion of the project.

## **7. PROJECT MANAGEMENT**

In cases where the appointed service provider appoints the services of other consultants or sub-contractors, the appointed service provider will take responsibility of the work of the sub-contractors. The client will deal with the contracted service provider and not with sub-contracted consultants. The project is to be coordinated and managed by an operational team led by Alfred Nzo Development Agency, ANDM and LG SETA.

Where necessary, a Project Steering Committee (PSC) made of ANDA officials, ANDM, LG SETA and other key stakeholders will oversee project implementation and facilitate inter – governmental coordination

## **8. REPORTING MECHANISM**

It is expected that regular progress reports will be submitted to ANDA and further presented to the PSC on a monthly basis. The Project Manager has the right to change the frequency of reporting as and when necessary.

The ongoing plans and progress reports from the service provider will have to be submitted to the Project Operational Team and or Project Steering Committee where

a process of verification will take place prior to the approval of invoices submitted by the service provider. Ideally prior to the sitting of a PSC meeting, a technical verification of work claimed by the service provider, must be undertaken by ANDA, ANDM officials and some members of the PSC to ensure that ANDA is able to approve claims made by the service provider.

## **9. SUBMISSION REQUIREMENTS**

Technical proposals shall be submitted in the following format. Failure to adhere to this format requirement will lead to the bid being regarded as non-compliant.

- Formal proposal from the skills development provider with contactable references, similar interventions, linkages between well-defined businesses, learning programme and mentorship model.
- Clear Methodology and Project approach
- Submission of Clear financial breakdown with the proposal.
- Signed Implementation plan with relevant time frames.
- Detailed information for the business owners such as their CVs certified, ID copies and their positions in the business also the CVs for their facilitators, assessors and moderators such as qualifications, accreditation documents (attachments must be enclosed.)
  - The Service Provider must be accredited with New Venture Creation Level 2 and must submit Qualifications and proof thereof  
**(ACCREDITATION CERTIFICATE)**
- Proposals must be placed in a sealed envelope and clearly marked: “Training proposal – NEW VENTURE CREATION LEVEL 2” and placed in the tender box at the Alfred Nzo Development not later than 12H00 on the **10 February 2022**. Bidders are requested to ensure that their proposals include; Company Registration, a Tax Clearance Certificate/pin BBEE Certificate/affidavit and **ACCREDITED CERTIFICATE ON NEW VENTURE CREATION LEVEL 2**

## **10. CRITERIA**

### **Functionality Evaluation:**

The bids will be evaluated in two stages, namely:

- Stage 1- Functionality

- Stage 2- Price and BBBEE Points

Bids will be evaluated in terms of the Procurement Policy of Alfred Nzo Development EVALUATION Agency 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 and the B-BBEE Regulations.

Any bid that fails to achieve a minimum of 70 points on the functionality evaluation shall not be evaluated further and will be deemed to be non-responsive.

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

**NB:** Bidders must demonstrate by submitting documentary proof in relation to the claim of points with respect to the following key: The successful bidders or consortium **must demonstrate the following key competencies** for the functionality evaluation as per the table that follows:

ITEM	Weight
<b>STAGE 1 OF EVALUATION – FUNCTIONALITY</b>	<b>100</b>
• Previous Experience	30
• Capacity and Expertise	70
<b>STAGE 2 OF EVALUATION – PRICE &amp; PREFERENTIAL POINTS</b>	<b>100</b>
<b>BBBEE POINTS</b>	<b>20</b>
<b>Price</b>	<b>80</b>

Bidder’s relevant experience and track record	Weight (100)
<b>References</b>	<b>Weight</b>
Traceable record for successful completion of a minimum of 03 or more Trainings of New Venture Creation Level 2 for Municipality, Development Agency and for private or public organisation (Training school/academy) <b>(Submit at least three (3) Contract award letters or 3 letters of reference on the relevant letterhead and signed by the referring organisation. Letters must indicate how many learners were trained and the budget.</b>	<b>30</b>

<b>Attached 1x SOR per project as proof that the learners were evaluated and certificate issued)</b>	
Traceable record for successful completion of a minimum of 02 but not more than 3 of Training of New Venture Creation Level 2 for Municipality, Development Agency and for private or public organisation (Training school/academy) <b>(Submit at least Two (2) Contract award letters or two letters of reference on the relevant letterhead and signed by the referring organization. Letters must indicate how many learners were trained and the budget. Attached 1 x SOR per project as proof that the learners were evaluated and certificate issued)</b>	<b>20</b>
Traceable record for successful completion of a minimum of 01 but no more than 2 Training of New Venture Creation Level 2 for Municipality, Development agency and for private organisation (Training school/academy) <b>(Submit at least One (1) Contract award letter or one letter of reference on the relevant letterhead and signed by the referring organization. Letters must indicate how many learners were trained and the budget. Attached 1 x SOR per project as proof that the learners were evaluated and certificate issued).</b>	<b>10</b>
<b>Total Maximum Weighting</b>	<b>30</b>
<b>CAPACITY AND EXPERTISE TO UNDERTAKE THE PROJECT (50)</b>	<b>Weighting</b>
<b>Management:</b> Project Leader with NQF Level 6 / Degree / National Diploma Qualification in the Project Management / Economics Management and Business Management <b>(Attach CVs and certified copies not older 3 months for all qualifications for project team. The bidders must clearly index and label the Management CV's of not more five pages.)</b>	<b>20</b>
Experience and Qualification of facilitators responsible for the project	Weight

<p>1 x Accredited Facilitator: Team members to be accredited with ETDP SETA or ETQA on agriculture qualification.</p> <p><b>(Attach CV's and copies of facilitator certified accreditation certificate, ID and qualifications with experience in the field. The bidders must clearly index and label the Facilitators CV's of not more three pages.)</b></p>	<b>10</b>
<p>2x Accredited Assessors (Internal and External) Team members to be accredited with ETDP SETA or ETQA on agriculture qualification.</p> <p><b>(Attach CV's and copies of assessor certified accreditation certificate, ID and qualifications with experience in the field. The bidders must clearly index and label the Facilitators CV's of not more three pages.)</b></p>	<b>10</b>
<p>2x Accredited Moderator (Internal and External) Team members to be accredited with ETDP SETA or ETQA on agriculture qualification</p> <p><b>(Attach CV's and copies of Moderators certified accreditation certificate, ID and qualifications with experience in the field. The bidders must clearly index and label the Moderators CV's of not more three pages.)</b></p>	<b>10</b>
<p>Company to be accredited with LG SETA and Service Seta on New Venture Creation Level 2</p> <p><b>(Attach an accredited certificate with LG SETA and Service Seta on National Certificate: New Venture Creation Level 2 )</b></p>	<b>20</b>
<b>Total Maximum Weighting</b>	<b>70</b>

For any queries regarding this tender, please contact Ms. F. Nketshisa for project related queries; on (039) 492 0011 or;

Ms M. Makhatha for SCM related queries at telephone number 039-492-0011 / 073 846 1493 during office hours.

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Yours in local economic development

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**MS. M. BAMBENI**

**CHIEF EXECUTIVE OFFICER**