



**MKHONDENI (SACCA) / SHORTS RETREAT INFORMAL  
SETTLEMENT  
PROVISION OF INTERIM HOUSING  
TERMS OF REFERENCE**

## 1. INTRODUCTION AND BACKGROUND

The Msunduzi Municipality seeks to appoint a competent professional Implementing Agent that will undertake planning and implementation for the emergency assistance programme targeted for the Mkhondeni/Shorts Retreat Informal Settlement (well known as Sacca). The Municipality seeks to appoint the relevant professionals to undertake on-site assistance for the Mkhondeni/Shorts Retreat Informal Settlement (well known as Sacca). The proposed project will provide interim housing assistance and basic services for approximately 2 000 Units.

## PROJECT OVERVIEW

The proposed development is situated in the Mkhondeni Area, under Ward 37 of the Msunduzi Municipality. The Mkhondeni/Shorts Retreat Informal Settlement (Sacca) is situated on a number of Evens 101, 102, 103, 104, 105, 148, 149 and 150; all of Shorts Retreat, and all amount to 6 hectares in extent. The proposed project area is located at approximately 13 kilometers South East of the Pietermaritzburg Central Business District (CBD).



## **2. PROJECT OBJECTIVES**

The Msunduzi Municipality in cooperation with the Department of Human Settlements seeks to appoint a competent professional Implementing Agent that will undertake planning and implementation for interim housing assistance to the Mkhondeni/Shorts Retreat Informal Settlement (known as Sacca). The project seeks to achieve amongst others, the following broad objectives

- To provide secure access to land, basic services and shelter
- To provide temporary on-site assistance that is suitable for future permanent development
- To maintain, enhance and support livelihood strategies through the preservation of social networks as well as accessibility to urban networks and opportunities
- To create Sustainable Human Settlements that promotes social and economic integration.
- To ensure that the choice and method of intervention is effective, efficient and sustainable
- To ensure that the proposed development is harmonious and compatible with the surrounding existing developments.

## **3. PROJECT SCOPE OF WORK**

The Municipality seeks to appoint a competent professional Implementing Agent that will undertake planning and implementation for the emergency assistance programme targeted for the Mkhondeni/Shorts Retreat Informal Settlement (well known as Sacca). The Implementing Agent will be responsible for the development of interim housing at Mkhondeni (Sacca) Informal Settlements project comprising of approximately 2 000 Units. The appointed Implementing Agent will be required to enter into a Tripartite Agreement with the Msunduzi Municipality and the KZN Department of Human Settlements.

3.1 Suitable qualified Implementing Agents are invited to submit proposals with costing and have the following expertise:

- Geotechnical analysis
- Environmental assessment
- Socio economic analysis
- Civil and Structural Engineering service
- Project Management and Quality Assurance

- Town Planning

The successful Service Provider will be expected to submit an application for funding to the Department of Human Settlements upon completion of the prefeasibility studies within 2 months from the time of appointment. The subsequent milestones will be the project detailed studies, design concept and implementation to be completed within 18 months.

The service provider must comply with all Legislative and Government policies. The contractor for the construction of the units must be registered with NHBRC and have the applicable CIDB grading. Past performance and documented track record will be considered. The municipality is not obliged to accept the lowest or any other proposal.

3.2 The Project Scope overview; inter alia incorporating the following aspects:

#### **3.2.1 Stage 1**

- Prepare and submit the funding application to the Department of Human Settlements.

#### **3.2.2 Stage 2**

- Project management
- Design and Installation of basic services

#### **3.2.3 Stage 3**

- Project management
- Construction of Top Structures
- Beneficiary Administration
- Close out

The scope of work for each phase should pay due attention to the objectives of the project. It is important to ensure that the product addresses and balances the needs of a large number of role players, namely the community, the local authority, professionals in the field, development industry, civic bodies, government departments, and surrounding property owners throughout the project. The project must respond to delivering a rapid housing solution whilst taking into account a long-term plan for settlement and linkages with other programmes.

## **4. PROJECT PHASES**

### **4.1 PHASE 1: INCEPTION**

The Service Provider shall submit the Project Inception Report within 2 weeks from the date of appointment. The Inception Report should outline the overall project methodology including the Gantt chart indicating the activities to be undertaken and associated activities.

***Deliverable:*** *Inception Report and Inception Meeting with the Technical Steering Committee*

### **4.2 PHASE 2: DETAILED FEASIBILITY STUDIES**

Phase two of the project will focus on the detailed feasibility studies to determine the suitability of the site of the existing services. This phase includes the preparation of the Status Quo Report which should cover amongst others the following:

- Status of bulk engineering services
  - water
  - sewer
  - sanitation
  - roads
  - storm water
- The identification of existing development constraints and broad proposed solutions.

### **4.3 PHASE 3: TOWN PLANNING**

A layout plan indicating how the proposed different land uses will be accommodated spatially and the estimated development yield taking account planning legislation and policies including the:

- Integrated Development Plan;
- Spatial Development Framework Plan
- Infrastructure Services Master Plan
- Human Settlements Sector Plan
- Local Economic Development Plan
- Town Planning Scheme

The layout plan shall be finalised after the approval of the Environmental Impact Assessment Report (EIA) taking into account the implementation conditions and the Town Planner shall:

- Ensure that the layout is informed by the bulk services report, geotechnical report, land audit and the environmental report.
- ensure that the design of the layout plan is in line with the relevant design principles and land use management policies of the Municipality including the Spatial Development Framework (SDF), Local Area Plans (LAPs) and the Town Planning Scheme (TPS) as well as the “Red Book”.
- ensure that the layout plan is designed in a manner that optimally accommodates the proposed residential, commercial, social facilities and other ancillary uses that may support the sustainability of the project.
- advertise the town planning application in the relevant newspaper and place the notice on the conspicuous position of the subject site for a period prescribed by the applicable legislation.

The Town Planning Motivation Report together with the layout shall be submitted to the Municipality for approval.

**Key deliverable:** *A town planning report accompanied by a detailed layout plan.*

#### **4.4 PHASE 4: IMPLEMENTATION**

- Finalise Architectural Designs
- Construct basic services
- Construct topstructures
- Conduct Beneficiary Administration

### **5. Professional Team**

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#### **CIVIL ENGINEER**

The Structural and Civil Engineer shall:

- Collect all the civil engineering base information relating to water, sanitation, electricity, roads and stormwater including information on the capacity of the existing Treatment Plan.
- Confirm the availability and capacity of all the engineering services.
- Responsible for Design, Approval and construction of structures.
- Provide information regarding the distance and capacity of the adjacent water lines sewers, road access, and storm water and electricity infrastructure.

- Perform capacity calculations of the adjacent engineering services and identify the new bulk services and cost estimates for the provision of the required services.
- Collect all the relevant information regarding the Municipal design standards from which to prepare a service level agreement.
- Work together with the Town Planner will utilize the approved town planning layout to produce the engineering services layout.
- **Key Deliverable: Structural Engineer** will be responsible for Design, Approval and construction of structures.

**Civil Engineering** report with cost estimates for the design and construction of services. The report will be submitted to the Municipality for approval.

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## GEOTECHNICAL ENGINEER

The geotechnical engineer shall:

- Conduct a detailed geotechnical assessment on the subject site to determine its suitability for the project.
- Conduct the geotechnical assessment in line with the NHBRC requirements.
- Provide recommendations on the developmental constraints of the site by mapping out areas of the site that are not appropriate for the erection of structures.

The Geotechnical Engineer will be expected to work closely with the Civil Engineer. The Geotechnical Engineer will have to verify all the requirements for the project enrolment with NHBRC.

**Key deliverable:** Detailed Geotechnical engineering report with applicable recommendations

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## ENVIRONMENTAL ASSESSMENT PRACTITIONER

The environmental assessment practitioner shall:

- Undertake a basic assessment of the impacts of the proposed development on the receiving environment and the surrounding communities.
- Identify the short term and long term negative impacts, alternatives and mitigation measures.
- Conduct a public participation process for the environmental impact assessment in order to provide Interested & Affected Parties with an opportunity to comment on the proposed activity.
- Shall capture all concerns raised during the public participation process into the Issue and Concerns table and provide responses.

- The Environmental Assessment Report will also incorporate traffic impact report.
- Make an application for Environmental Exemption on the basis of the project being an emergency assistance programme

**Key deliverable:** *Environmental Impact Assessment Report incorporating issues and concerns table and the Environmental Exemption from a competent authority.*

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## **SOCIAL FACILITATOR**

The service provider shall:

- ensure that the relevant stakeholders including the surrounding communities are properly informed about the project through the establishment of a Project Steering Committee as prescribed by the relevant policy.
- The service provider shall hold public meetings and workshop with the affected communities to gather their comments on the project.
- keep an accurate record of all the meetings held with the relevant stakeholders.
- workshop the surrounding communities about the housing processes, project life cycle, and timeframes for all the stages, qualification criteria, risks of project failure as well as roles and responsibilities of various stakeholders in the project including beneficiaries.

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## **TOWN PLANNER**

The Town Planner shall:

- obtain relevant base maps from the Land Surveyor to formulate a town planning report including the draft layout plan. The detailed town planning layout and the township establishment report will be prepared and submitted to Council

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## **Land Surveying**

The responsibility of the Land Surveyors shall:

- Obtain the necessary cadastral data to determine the accurate outside figure of the project site. (1 week)
- Survey the sites and place property beacons using the approved town planning layout and conditions of establishment. (the timeframe here will depend on the number erven to be created, number of servitudes, roads etc to be created)
- Please note that it is the Municipality that prepares and issues Conditions of Establishment. Land Surveyors then use such conditions in surveying and



compiling a general plan. Prepare and submit a general plan for the township to the Office of the Surveyor General.

**Key deliverable:** *Land Surveying and site Pegging*

## 6. DELIVERABLES

The appointed Implementing Agent will be required to enter into a tripartite agreement with Msunduzi Municipality and the Department of Human Settlements. Suitable qualified Implementing Agent shall submit the following deliverables:

- Detailed Geotechnical Report
- Basic Environmental Impact Assessment Report
- Social Facilitation (signed Social Compact by all role players and Constitution);
- Bulks Report (water, sanitation and roads)
- Beneficiary Administration
- Programming all the activities in the development and the cash-flow commitments
- Planning of approved land

### 6.1 KEY DELIVERABLES AND TIMEFRAMES

The project is divided into four phases, namely Inception, Detailed Feasibility Studies, Township Establishment and Application for Stage 2 funding.

No	Project Phase	Key Deliverable	Timeframe
1	Inception	Inception Report	2 Weeks
2	Pre-Feasibility	Funding Application	6 Weeks
3	Town Planning	Layout & General Plan	3 Months
4	Implementation	Services and Topstructures	15 Months
<b>Total Project Duration</b>		<b>20 Months</b>	

### 6.2 PROJECT MANAGEMENT

The project shall be managed in accordance with the Gantt chart, required in terms of this memorandum of agreement, to be compiled by the Service Provider. The Gantt chart shall specify milestones and associated reports/ products in terms of which, and upon satisfactory performance of which, payment is to be made.

The Project Manager will ensure that the professional team make use of a number of high-level tools, such as spatial data analysis systems, sophisticated economic analysis tools, transport modelling and planning systems, to deliver the necessary innovation to this

project. The breadth of information and the sophistication with which it is analysed and integrated will be critical to ensuring that all opportunities are captured and optimised. The responsibilities of the Project Manager shall also include the following activities:

- Outline the methodology and prepare a programme for the entire project resulting in the preparation of a Project Charter and a Project Communication Plan;
- Assemble and collate the available information for the various components that are to be reviewed as well as ensure that the information is in a format that is readily accessible and available to Municipal officials after the project is complete;
- Establish procedures and undertake all activities relating to stakeholder engagement and consultation, for project reporting and financial control;
- Undertake all administrative activities associated with the project including convening meetings and taking minutes;
- Provide the Msunduzi Municipality with monthly progress reports;
- Presentation of the project to various municipal committees as and when required.

## 7. REQUIRED EXPERTISE

The following proposed professional team is required to successfully implement the project. However, the appointed Service Provider should be aware that the list is not limited to the one below, this is subject to any additional studies that may be relevant and appear at a later stage to be included as part of the scope of work.

KEY RESOURCE AREA	MINIMUM QUALIFICATIONS
Project Leader	Civil Engineer: Registration with either ECSA, or SACPMP. Bachelor's degree or equivalent in Civil Engineering. 5 years minimum post registration experience with the relevant professional body.
Urban Designer /	Town & Regional Planner. Bachelor's degree or equivalent in Town & Regional Planning Registration with SACPLAN 5 years minimum post registration experience with the relevant professional body.
Architect	Bachelor's degree or equivalent in Architecture plus professional registration Must have at least 5 years post registration experience in Architecture
Civil Engineer	Bachelor's degree in Civil Engineering together with registration as a Professional Engineer in terms of the Engineering Professions Act, 2000

KEY RESOURCE AREA	MINIMUM QUALIFICATIONS
	Must have at least 5 years post registration experience in the planning, design, project preparation and project management of the delivery of infrastructure in South Africa
Geotechnical Engineer	Bachelor's degree in Geotechnical Engineering together with registration as a Professional Engineer in terms of the Engineering Professions Act, 2000 Must have at least 5 years post registration experience in the field.
Land Surveyor	Bachelor's degree in Land Surveying plus professional registration as a Professional Land Surveyor in terms of the Professional and Technical Surveyors Act, 1984. Professional Registration with South African Council for Professional and Technical Surveyors (PLATO). Must have at least 5 years post registration experience in the provision of land surveying services
Development/ Social Facilitation	Must have at least 5 years working experience in Development Facilitation/Social Facilitation on public / private sector infrastructure delivery programs and projects
Structural Engineer	Bachelor's degree in Civil Engineering together with registration as a Professional Civil Engineer in terms of the Act, Specialising in Structural Engineering. Must have at least 5 years post registration experience in the field.

*Should the professional service provider fail to acquire the above skills the tender will be regarded as non-responsive.*

## **8. LOCALITY**

It is a compulsory requirement that, the project must employ a minimum of 25% for sub-contracting work from local community and Pietermaritzburg at large. Failure to comply with this requirement will render the tender non-responsive.

### **8.1 CAPACITY BUILDING AND SKILLS TRANSFER**

The Msunduzi Municipality considers skills development as an integral part of the outsourcing process. The process should ensure that skills development and transfer is achieved within the municipality. Proposals should indicate how skills development and transfer would be achieved in the Municipality.

## **9. DETAILED PROJECT COST AND DURATION**

Appointed professionals are required to provide a detail cost breakdown and tasks. Hours per resource has to be indicated for the entire project. The cost should be within the norms

set by the Department of human settlement. Any shortfall funding for the provision of Infrastructure will be funded by Municipal Infrastructure Grant (MIG), and this must be taken into account when pricing. The project is envisaged to be undertaken for 20 months.

### **9.1 REPORTING AND ACCOUNTABILITY**

During the execution of the project, the Implementing Agent must submit monthly progress reports with portfolio of evidence and attend meetings at intervals as determined by the project team managing the service provider.

All electronic and hard copy information captured/utilised to provide the output of the project remains the property of the Municipality, and must be handed over in its totality when the project is closed off. The Municipality will retain copyright and all associated intellectual rights relating to the project. This document together with all agreements to be or reached during the course of the project become part of the contract. Data must be surrendered to the Municipality at the end of the project in a digital format, and it cannot be used or shared, whether for profit or otherwise with any other party without written permission from the Municipality.

### **9.2 INSTITUTIONAL ARRANGEMENTS**

The proposed plan looks at the existing internal structures which include;

- Project Working Group comprising council officials who will deal with day to day technical aspects of the project, reporting to:
- Project Steering Committee that will comprise of key departmental stakeholders including the officials from the KwaZulu Natal Department of Human Settlements and will be chaired by the Manager: Development Planning. The relevant Portfolio Committee [Economic Development] is the primary council committee to which the Steering Committee will report.

### **9.3 OWNERSHIP OF INFORMATION**

The Msunduzi Municipality will assume ownership of all data and information, in both electronic and hard copy format (i.e. Ms Word, PowerPoint, PDF, CAD, etc.) obtained and/or created during the course of the project and reserves the right to use it as it deems fit. All materials are and remain the property of the Municipality at all times and no document may be reproduced, copied, or distributed without prior written consent of the Municipality. The report and digital information shall be supplied to the Municipality at the

completion of the project in a format, which can be feed into the GIS systems of both the National, KwaZulu-Natal governments, as well as the Msunduzi Municipality. The Msunduzi Municipality will retain copyright and all associated intellectual rights relating to the project.

## 10. EVALUATION CRITERIA

### 10.1 STAGE ONE: FUNCTIONALITY

The contract shall be evaluated in terms of the 90/10 Preference Point System. The Service Provider's methodology and ability applicable to the nature of works mentioned herein shall be scored against a 115 point system, where the Service Provider with the most experience and technical capacity pertaining to the nature of works mentioned herein shall score a maximum of 115 points. Implementing Agent shall be scored against the following criteria:-

EVALUATION CRITERIA				
Key Aspect of Criterion	Max. Points	Basis for Points Allocation	Max. Score	Verification Method
<b>1. Experience of the Implementing Agent</b>  <i>Experience is relevant and applicable to the construction industry and housing development in general. Experience should demonstrates due competency in low income projects, and specifically of projects of a similar nature.</i>  <i>Experience should also demonstrate a clean proof of knowledge, relevant capacity of key resources and / or Professional Team to transparently manage the project requirements</i>	40	<b>a) Project Value:</b> 1 Point for every R50million Project Value.	12	List of projects and appointment letters / Completion Certificates to be attached.
		<b>b) No. of Human Settlements Projects Undertaken:</b> 1 Point per housing Project	8	List of projects and appointment letters to be attached

<i>in terms of both technical and social aspects.</i>		<b>c) Project Types Undertaken: 1</b> Point per project type. <ul style="list-style-type: none"> <li>• Social Housing</li> <li>• Community Residential Units (CRU)</li> <li>• Breaking New Ground (BNG)</li> <li>• Integrated Residential Development Programme (IRDP)</li> <li>• Finance Linked Subsidy Programme (FLISP)</li> <li>• Rectification of Old Stock.</li> <li>• Medium to High Income Housing</li> </ul>	5	List of projects and appointment letters to be attached
		<b>d) Locality</b>  Within Msunduzi  With KwaZulu Natal  Outside KwaZulu Natal	15  10  5	Proof of business address to be attached (Municipal Account or Lease Agreement with Leaser's Municipal Account)
<b>2. Methodology</b>  <i>Define a clear and unambiguous strategy of executing the project.</i>  <i>Including compliance with relevant regulatory bodies, applicable by-laws of the Municipality.</i>  <i>Methodology should be inclusive of EPWP Framework and empowering of emerging contractors.</i>	30	The following areas must be addressed in addition to others which are necessary for the Project success: <ul style="list-style-type: none"> <li>• Geotech Investigation</li> <li>• Environmental Assessment</li> <li>• Town Planning Concept showing how 2000 units can be achieved.</li> <li>• Social Facilitation</li> <li>• Bulk Engineering Services</li> <li>• Project Management</li> <li>• Architectural – showing</li> </ul>	1  1  5  1  2  3  5	Proposed methodology should be attached

		<p>movement patterns and social amenities</p> <ul style="list-style-type: none"> <li>• Construction Methodology – to achieve 2000 units</li> <li>• Building Technology – to achieve 2000 units.</li> <li>• Timeframes for Construction – under 24 months.</li> </ul> <p><b><i>If the proposed methodology does not aim at achieving 2000 units, the proposal will not advance to Stage 2.</i></b></p>	<p>4</p> <p>4</p> <p>4</p>	
<b>3. Resources organogram</b>	<b>10</b>	<p><b>Clearly indicate the resources and their associated roles and responsibilities:</b></p> <p>2 points per resource identified and their roles and responsibilities.</p>	2 for each resource and responsibilities	List of identified resources and their responsibilities
<b>4. Stakeholders organogram</b>	<b>10</b>	<p><b>Clearly indicate the stakeholders and their associated roles and responsibilities:</b></p> <p>2 points per resource identified and their roles and responsibilities.</p>	2 for each stakeholder and responsibilities	List of identified stakeholders and their responsibilities
<b>5. Risk Areas</b>	<b>15</b>	<p><b>Clearly identify and define the key genetic risks areas associated with the Human Settlement project.</b></p> <p>2 points per risk identified and 2 points for mitigation solutions.</p> <p>Maximum 4 points per risk.</p>	2 for each risk and mitigation solution	List of identified generic risks and mitigation solutions
<b>6. Project Management</b>	<b>10</b>	Should display appropriate, applicable and relevant	2 points per	List of activities identified and

<i>Display competence in preparation of various scopes of works including setting of appropriate activities/tasks, time frames and cash flow analysis to ensure sustainability throughout the project cycle and clear ability to regularly report progress and deal with interim project requirements culminating in close out.</i>		management skills on previous similar assignments.  2 points per activity identified and explained	activity identified and explained.	explained.
	<b>115</b>		<b>115</b>	

**In order to be considered for further evaluation in Stage Two: B-BBEE Status Level of Contribution below, tenderers shall score a minimum of 70% (equating to 80.5 Points) of the total Functionality Points in Stage One.**

#### **STAGE TWO: PRICE BASED ON THE 90/10 PRINCIPLE AND B-BBEE STATUS LEVEL OF CONTRIBUTION**

The proposal will be evaluated on the 90/10 preference point system and in accordance with the Preferential Procurement Regulations, 2011, issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act Number 5 of 2000 (PPPFA). In terms of Regulation 5(2) and 6(2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:-

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6



7	2	4
8	1	2
Non-compliant contributor	0	0

## 11. Pricing Structure

Item No	Description	Unit	Qty	Rate	Amount
1	Professional Services (Item to Include all professional studies, approvals and submission of funding application)	No	2000		
2	Construction of Basic Services	No	2000		
3	Construction of Top Structures	No	2000		
4	Beneficiary Administration	No	2000		
5	Demolition Costs	No	2000		
Sub-Total					
Vat					
Total Carried to Form of Offer					

## TECHNICAL ENQUIRIES

### HUMAN SETTLEMENT BUSINESS UNIT

#### Manager Planning: Human Settlements [A]

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