



public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER FOR THE ASSESSMENT OF CONSTRUCTION PROJECT MANAGEMENT UNIT'S PERFORMANCE IN THE DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE

GRC

2023

1. PURPOSE OF THE ASSIGNMENT

The National Department of Public Works and Infrastructure (hereinto referred to as the Department) seeks to identify and appoint an experienced company to analyse the performance of the Construction Project Management Branch in the Department for the period starting from April 2019 to September 2023. The work is largely a desktop approach and analysis of specific information and interviews of critical role players.

2. CONTEXTUAL BACKGROUND

The performance of the Construction Project Management Branch has been concerning over time. Although the performance of the programme has average about 78% in the last three financial years, the performance tends to pick only in the fourth quarter. There are also concerns over the management of the programme both at the Head Office and Regional Office level. Generally, the programme measures its efficiencies as well as the total projects completed coupled with expenditure reports. Of great concern is the extent of projects delays, poor performance of contractors and the possibility that the awarding mechanism (SCM) may have compromised the process/value chain. It is against this background that an analysis is required to focus on underlying causes of poor performance of the programme and propose solutions to improving the performance of the programmes.

3. SCOPE OF THE ASSIGNMENT

The work entails 5 critical areas –

- Analysis of performance reports from the CPM Branch in relation to the APP targets (the causes of poor performance by the construction unit)
- Assessment of the procedures and processes followed by CPM branch in managing the construction portfolio. This will also entail an assessment of the gaps within the government machinery in delivering construction projects
- Comparative Analysis of other construction companies and/or public sector institutions that actually have a track record of good performance in delivering construction projects/project management.
- Provide an overall assessment of the trends in the construction industry and underlying challenges faced internationally and locally
- Recommend/proposals to improve performance of the construction unit in the Department (what need to be considered at management level, operational level, procurement level and delivery level) including the contractual agreements and clauses in the contracts.

The Service Provider will be required to work closely with the following units:

1. Office of the Deputy Director-General
2. Institutional Performance Monitoring and Evaluation unit
3. Construction Project Management (CPM)
4. Supply Chain Management (SCM) especially the colleagues who administer the construction portfolio
5. PMTE Finance division
6. Project managers at the regional offices
7. Visit at least 3 construction sites to interview contractors on site
8. No information **shall** be provided to the Service Provider without the consent of the Project Leader (in this case, Office of the Deputy Director-General).

5. CONDITIONS OF CONTRACT

The conditions of contract applicable to this appointment will be the special conditions of contract stipulated in Section 8 of this document.

6. FORMAT OF QUOTATION TO BE PROVIDED

The Service Provider (at own cost) must prepare and submit a quote as outlined below:

- All material submitted should be relevant to the subject matter.
- Proposals shall be submitted in English.

7. PROPOSAL SUBMISSION

The proposal **MUST** include (a) Profile of the organisation detailing their areas of focus (b) demonstrate experience of work done (related to the request) in the public sector/private sector or industry. **Failure to provide this information will be to the disadvantage of the bidder.**

The proposal **must** also consist of the following for purposes of evaluation:

- 7.1 A **schedule of work/project done** by the service provider as per (or reflecting information stated on) the table below must be submitted alongside the proposal.



No.	Type of work/project Completed	Duration of the work/Project	Industry/Public Sector/Private Sector/Consultancy	Name of contact person in the organisation (Project Manager)
1				
2				
3				
4				
5				

7.2 A well-documented **Project Execution Plan** including the time frames that have been specified for the following:

- Analysis of performance reports from the CPM Branch in relation to the APP targets (the causes of poor performance by the construction unit) covering the period April 2019 to October 2023.
- Assessment of the procedures and processes followed by CPM branch in managing the construction portfolio. This aspect includes the assessment of the gaps within the government machinery in delivering construction projects.
- Comparative Analysis of other construction companies and or public sector institutions that actually have a track record of good performance
- Provide an overall assessment of the trends in the construction industry and underlying challenges faced internationally and locally
- Recommend/proposals to improve performance of the construction unit in the Department (what need to be considered at management level, operational level, procurement level and delivery level)

7.3 Detailed **Project Costing Schedule** outlining the following:

Deliverable	Item/Output	Unit of measure	Quantity	Rate	Total
Analysis of Information	Report		1		



Interviewing critical role players	Interview Questions	Km/Telephone rates per minutes/virtual costs			
Site visits and interview of contractors	Travelling	Km	3		
Full Report on the Analysis Of Construction Project Management Unit's Performance in the Department of Public Works and Infrastructure	Report		1		
Total Cost					

All costs must be inclusive of value-added tax where applicable.

8. SPECIAL CONDITIONS OF CONTRACT

The special conditions applicable to this project are outlined in the table below. Service Providers must indicate if they concur with the conditions by clearly completing the table. **Failure to complete the table will lead to disqualification. Proposals that do not reflect concurrence with any of the conditions will not be considered.**

Condition	Concurrence		Reason / Comment (if any)
	YES (X)	NO (X)	
8.1 Entry meeting with the ODDG: GRC at least 2 working days after receipt of the appointment letter from the Department to carry out the project. This entry meeting will discuss and draft a project plan.			
8.2 Final/Approved Project plan to be presented to the Department 5 working days after the entry meeting.			

8.3 Provide company profile and demonstrate knowledge of the assignment (Analytical skills and practical experience)			
8.4 Compilation of the Report must be completed in 4-6 weeks (including a meeting with the department) after receiving a letter of appointment from the Department to which during that time, the Service Provider should have contacted the ODDG: GRC to discuss the approach in line with the department's strategy on construction. (The project should be completed by 30th December 2023 depending on start date of which ideally the project should be completed in 2 months).			
8.5 The Service Provider must make resources available after hours and over weekends which must be included in the cost of this quotation. This will not be paid as an additional cost to the Department.			
8.6 The successful service provider shall continually be engaged until the conclusion of the project.			
8.7 Copyright: All information generated, communication produced, and data acquired, and any other material produced under the auspices of this project remains the intellectual property of the Department.			
8.8 Confidentiality: The Service Provider will be bound by the same clause of confidentiality and code of ethics as applicable to officials of the Public Service.			
8.9 The Department will not be held responsible for any costs incurred by the bidder/s in the preparation and submission of the quotations.			
8.10 Travelling costs and time spent or incurred between home and office of service providers and the Department's Head Office will not be for the account of the Department.			
8.11 <u>For risk assessment purposes</u> , the Department may contact department(s)/companies where work/services were previously rendered. The Department reserves the right to neither make any appointment nor issue prior notice of any contact with the department where work/services were previously rendered. Furthermore, the department may request bidder(s) to provide samples of work previously completed in the areas of the assignment (Analytical report). Failure to respond as stipulated by the department may lead to disqualification.			

ACCEPTANCE OF THE SPECIAL CONDITIONS AND SPECIFICATIONS

Name of Bidder: _____

Name of authorized signatory: _____

Signature of authorized signatory: _____

By signing above the bidder hereby accept terms and conditions (general and special conditions) of this quotation and confirm full understanding of the requirements and specifications of this tender.

9. MONITORING PROGRESS ON THE PROJECT

- 9.1 The Department's Governance, Risk and Compliance Branch will be responsible for regular and on-going monitoring and management of the contract with the Service Provider.
- 9.2 The Service Provider is to report progress as and when required to do so (This will also be guided by the approved/agreed Project Plan).

10. PAYMENT TERMS

The Department undertakes to pay all valid claims for work done to its satisfaction within 30 days of presentation of a substantiated claim. No payment will be made where there is outstanding information/work by the Service Provider.

11. EVALUATION CRITERIA

- 11.1 The minimum functionality score to qualify for further evaluation is **60%**. Bidders that score less than **60%** will be disqualified. 3 Main categories (of which are further broken down in the evaluation criteria) are determined at 20%, 50% and 30% each giving a full share of 100%.

Main Category	Evaluation Criteria	Functionality criteria	Category Share/Proportion (%)
1. Company profile and Experience	Company profile and Company/ Individual Experience	<ul style="list-style-type: none"> The company must not be less than 3 years old in existence in the relevant area Experience of the company in the construction industry with relevant experience in report writing, project management, quantity surveying, 	20



Main Category	Evaluation Criteria	Functionality criteria	Category Share/Proportion (%)
2. Company deliverables and Analytical Expertise	Company/ Individual Deliverables and Referrals	The service provider must be able to demonstrate the ability to collect, analyse, and interpret large amounts of data (Provide at least 1 project done recently)	50
3 Company/Individual Professional Expertise	Affiliation	The individual (s) must: <ul style="list-style-type: none">• Be able work under pressure and deliver within tight deadlines• Be affiliated with a recognised professional body• Demonstrate analytical skills	30
		Total Weight	100

11.3 A 5 point functionality evaluation scale will apply. Each functionality criteria and scoring has a weight as depicted above. The calculation method is depicted as follows for each category

$$\frac{\text{Total Score (sum of all categories)}}{25} \times 100 = \text{Final Score} \quad (1)$$

$$\text{Criteria score} \times \text{weight of the category} = \text{Category score} \quad (2)$$

$$\Sigma \text{All category scores} = \text{Final score} \quad (3)$$

1.1.4 Evaluation of Service Provider and Scoring methodology

Category	Functionality criteria	1	2	3	4	5	Score Allocated
1 Company profile	The company must be at least 5 years old in existence in the relevant area – built environment	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	5 years and over	
2 Individual Experience	Years of experience of the individuals in the construction industry with relevant experience and exposure in project management (CVs) Min required =	1 - 2 year	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	5 years and more	
3 Company/ Individual Deliverables	<ul style="list-style-type: none"> Be able work under pressure and deliver within tight deadlines Evidence of previous work within construction industry with relevant experience and exposure in project management. The work should have been done in the last 5 -8 years with	No work done either in the Public or Private sector	1 – 3 work done either in the Public or Private sector	3 – 5 work done either in the Public or Private sector	5 - 7 work done either in the Public or Private sector	7 and more work done either in the Public or Private sector	

Category	Functionality criteria	1	2	3	4	5	Score Allocated
	2015 as the baseline till March 2023) ¹						
4	Referrals The service provider/individual to provide reference letters on work previously done/completed (Provide reference -- last 5 -8 years with 2015 as the baseline till March 2023) ²	No reference letter	1 reference letter/ recommendations	2 reference letter/ recommendations	3 reference letter/ recommendations	More than 3 reference letter/ recommendations	
5	Individual Professional Expertise/ Affiliation The individual (s) must: <ul style="list-style-type: none"> Be affiliated with a recognised professional body – this will assist in assessing the level of professional expertise in the Department on the basis on criterion used for professional affiliation including international bodies – this also include Built 	No Affiliation	Affiliated to 1 Professional body	Affiliated to 2 Professional bodies	Affiliated to 3 Professional bodies	Affiliated to more than 3 Professional bodies	

¹ This takes into account the possible of none or less work completed during the Covid-19 pandemic period.

² This takes into account the possible of none or less work completed during the Covid-19 pandemic period.

Category	Functionality criteria	1	2	3	4	5	Score Allocated
	Environment councils and others within the Built environment						
Total Scores							

12. FURTHER INFORMATION

CONTACT DETAILS

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