



**JOZINI MUNICIPALITY
(KZ 272)**

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**TERMS OF REFERENCE FOR THE DEVELOPMENT OF A HUMAN
SETTLEMENTS SECTOR PLAN / HOUSING CHAPTER FOR
JOZINI LOCAL MUNICIPALITY (KZN 272)**

PLANNING AND ECONOMIC DEVELOPMENT SERVICES

2019

1. BACKGROUND

The Bill of Rights contained in the Constitution of the Republic of South Africa entrenches certain basic rights for all citizens of South Africa including: “The right to have access to adequate housing”. The Constitution also describes the objectives of local government. As:

- 1.1. The provision of services to communities in a sustainable manner;
- 1.2. The promotion of social and economic development;
- 1.3. The promotion of safe and healthy environments; and
- 1.4. The encouragement of community and community organization involvement in matters of local government.

This section goes on to state that a municipality must strive, within its financial and administrative capacity, to achieve the above objectives.

With regard to the development duties of local government, a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and Participate in national and provincial development programmes.

In terms of section 7(2)(g) of the Housing Act, 1997 (Act No 107 of 1997) “Every provincial government must prepare and maintain a multi-year plan in respect of the execution in the province of every national housing programme”.

Furthermore, in terms of Section 9(1) of the Housing Act, 1997 the function of Municipalities include that: *“every municipality must, as part of the municipality’s process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to*

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(a) ensure that-

- (i) The inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis;*
 - (ii) Conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented and removed;*
 - (iii) Services in respect of water, sanitation, electricity, roads, storm water drainage and transport are provided in a manner which is economical”,*
- (Housing Act 107 of 1997)*

The Human Settlements Sector Plan/Housing Chapter is a five-year strategic plan that will guide transformation of the existing settlements and development of a new sustainable human settlements in accordance with the Constitution of the Republic of South Africa, national policy on human settlement and development agenda of the Municipality. The municipality will review the chapter annually considering changes in development trends, progress made in the implementation of the plan emerging (new) human settlement needs within its area of jurisdiction.

In order to give effect to the legislation, the Jozini Local Municipality requires the services of a consultant to develop, compile and/or review its IDP Housing Chapter in preparation for the Municipality's 2020/21 financial year. The IDP Housing Chapter document must be compiled in line with the guidelines provided in the Resource Book on Housing Chapters published by the National Department of Housing in 2008, and which requires the Municipal IDP Housing Chapter to achieve the following:

- a) To define the scope of the housing planning component of the municipal IDP in relation to the requirements of the Housing Act and housing policies;
- b) To outline and unpack clear roles and responsibilities of relevant stakeholders critical to achieving integration of housing planning with integrated development planning in the municipality;
- c) To guide vertical and horizontal sector alignment within the municipal area;
- d) To provide an institutional structure to give effect to a demand-defined and supply negotiated approach to housing provision;
- e) To introduce systems and procedures to support and reward strategic and operational planning by enforcing Housing Plan-led budgeting and implementation;
- f) To inform multi-year housing development plans of the Mpumalanga Department of Human Settlement as the basis for vertical alignment;
- g) To ensure that the housing planning activities which occur as part of the IDP are able to draw on existing housing related documentation and data resources;
- h) To ensure that the housing planning activities which occur as part of the IDP reflect community level concerns about housing demand as determined during the municipal IDP process;

- i) To insure that the definition of the various types of housing demand as part of the IDP balances technical inputs with community-based inputs;
- j) To ensure the definition of housing demand is comprehensive and inform IDP objectives, strategies and project formulation and enable the specification of a municipal-wide picture of housing demand in the context of sustainable human settlements;
- k) To achieve agreement at municipal level about whether housing is a priority issue for IDP or not, and if so, to specify which aspects of the housing demand are to be prioritized for the IDP to also contribute towards overall strategic objectives of the Municipality.

2. OBJECTIVES OF THE PROJECT

The main objectives of the Human Settlements Sector Plan/Housing Chapter are as follows:

- 2.1. To ensure effective allocation of limited resources, financial and human, to a wide variety of potential development initiatives
- 2.2. To provide guidance in prioritizing housing projects in order to obtain consensus for the timing and order of their implementation;
- 2.3. To ensure more integrated development through coordinating cross-sector role players to aligning their development interventions in one plan;
- 2.4. To ensure budget allocations to local and district municipalities as well as provinces are most effectively applied for maximum impact;
- 2.5. To provide effective linkages between the spatial development framework and the project locations of physical implementation of a range of social, economic, environmental and infrastructure investments;
- 2.6. To ensure there is a definite housing focus in the IDP and SDF with clear direction for future housing delivery across all social and economic categories and locations in the municipality.
- 2.7. The scope of Human Settlements / Housing Chapter is not just for those people and developments related to government's subsidized housing programmes;

- 2.8. To provide the IDP process with adequate information about housing plan, its choices, priorities, benefits, parameters as well as strategic and operational requirements;
- 2.9. Ensuring that the contents and process requirements of planning for housing are adequately catered for in the IDP process; and
- 2.10. To ensure that there is indicative subsidy budgeting and cash flow planning at both the municipal and provincial levels.
- 2.11. To ensure that the following aspects of a sustainable human settlements are addresses namely:
 - a) Upgrading of informal settlements
 - b) Densification and integration
 - c) Location of new projects
 - d) Urban renewal and regeneration; and
 - e) Social and economic infrastructure provision

3. PURPOSE OF THE PROJECT

- 3.1 The overall outcome of the project is to develop:
 - 3.1.1. To develop Human Settlements/ Housing Chapter for Jozini Local municipality
 - 3.1.2. To facilitate the necessary consultative forums with the province in aligning municipal and provincial projects as per Provincial Huma Settlements Master Plan and the Provincial Human Settlements Informal Settlements Upgrading and Management Strategy;
 - 3.1.3. To develop a detailed Action/Operational Plan linked to the Provincial Budget and MTEF; MTSF; and
 - 3.1.4. To develop Integrated Human Settlements Project pipeline linked to the Provincial Priority Housing Development Areas (PHDA'S).

4. SCOPE OF WORK

- 4.1 The successful Service Provider would be expected to undertake the following towards the development of the Human Settlements/ Housing Chapter in responding to the human settlement issues facing the municipality while also enabling the municipality to perform its human settlement duties and functions. These are prescribed in the Constitution and the National Housing Act, No. 107 of 1997. It covers the following:

- 4.1.1. Review of national and provincial human settlement policy and its implications for the development of sustainable human settlement in a Local Municipality.
- 4.1.2. Analysis of the current state of the current state/situation of the human settlement to ascertain the sustainability of the existing human settlement.
- 4.1.3. Establishing current housing backlog and demand (numeric extent and number of potential beneficiaries per subsidy instrument/ priority issue);
- 4.1.4. Formulation of a human settlement strategy and alignment with the municipal development strategy in the IDP and other associated sector plans;
- 4.1.5. Land identification of strategically located land for the future development and implementation of sustainable human settlements projects;
- 4.1.6. Developing a pipeline of human settlement projects to inform allocation of funds and other resources at a provincial and national level; and
- 4.1.7. Developing an appropriate institutional framework for an effective management of human settlement development programme in the Municipality.

5. DELIVERABLES & OUTPUTS

In line with the overall objectives as stipulated above, it is required that the project be conducted according to seven distinct phases as listed below within a period of 6 months from date of appointment.

5.1. Phase 1: Inception and Orientation

5.1.1. During this phase the service provider will meet with officials of the Provincial Department of Human Settlements and the Municipality to finalize the Programme of Action, the methodology to be followed, and the final deliverables.

5.1.2. As part of Phase 1 it is also required that a Project Steering Committee with representatives from the Provincial Department of Human Settlements, Sector Departments and the local municipalities be established in order to oversee the execution of the project.

5.2. Phase 2: Situational Analysis

The Situational Analysis will comprise of at least the following aspects:

5.2.1. An assessment of the institutional set-up and capacity within the municipality to deal with human settlement/housing.

5.2.2. Quantifying and mapping the spatial location of housing demand in different parts of the municipality focusing on RDP demand, Gap Market, Affordable Rental, Social Rental etc. in both the urban and rural parts of the municipality.

5.2.3. Identification of strategic land areas (or buildings for social/affordable rental) that can/should be considered to accommodate future sustainable human settlement projects in the municipal area.

5.2.4. Collect ancillary information for each of the identified strategic land areas/building identified in relation to the following:

- a) Alignment with the spatial directives contained in the municipal SDF;
- b) Land/building ownership and current development status of the land;
- c) Natural environmental features on the site to be considered;
- d) Availability and capacity of closest bulk engineering infrastructure and reticulation networks, and implications for the development of the site;
- e) Community facilities in surrounding neighbourhoods that can be shared (if any)
- f) Preliminary assessment of development capacity (number units) of the site;
- g) Indication of the potential beneficiary communities to be accommodated on the site;
- h) Summary of critical issues related to the site/building which need to be considered.

A summary of existing human settlement/housing projects in process in the municipal area; location; implementing agent, capacity and housing typologies catered for, beneficiary communities, current status of project, estimated date of completion; and

5.2.5. Lastly, an outline of housing-related results from the IDP analysis phase, and especially the IDP analysis of priority issues. Should provide an overview of critical challenges of the Human Settlements / Housing Chapter in the municipal area and the definition of demand from the IDP prioritization activities. Summarised statements on the identification of housing demand and an analysis of this information to clarify the social, economic, environmental, infrastructural and spatial nature of the dynamics and causes of the demand.

5.3. Phase 3 (Synthesis)

5.3.1. Phase 3 should comprise a summary of the Priority Human Settlement Issues identified in the municipal area, as well as the Human Settlement Development Opportunities and Constraints identified.

5.4. Phase 4: Human Settlement Strategy

5.4.1. During Phase 4 the service provider should formulate a Human Settlement Strategy for the municipality. This will firstly comprise the formulation of a set of Human Settlement Objectives for the municipality followed by a Human Settlement Strategy. The Strategy will address the Priority Issues identified and seek to achieve the Objectives formulated. Furthermore, in the strategy section of the Human Settlements / Housing Chapter, requires an indication of the IDP objectives and strategies relate to housing spatially, economically, environmentally, infrastructurally and socially. How the housing objectives and strategies will address the IDP objectives and strategies and summarise the identified housing supply options chosen to meet the housing demand. This should include the negotiated supply strategies which should complement the IDP development strategies.

5.5. Phase 5: Projects

5.5.1. Following from the Human Settlement Strategy, the Priority Projects to be implemented in the municipality need to be defined, quantified, prioritized, and incorporated into a programme/schedule for implementation in the short term (5 years), medium term (within 10years), and long term (beyond 10 years). It should also give a clear indication of the top two or three projects (and associated number of units) for the municipality and the priority actions to be implemented toward activating these projects.

5.5.2. Moreover, the project section of the Human Settlements/Housing Chapter should further outline the basic information on the prioritised IDP housing projects or housing components of multi-sectoral projects. This information should include a summary of the project's objectives, description and indicators, national housing subsidy programme or instrument if applicable. Target group/s, spatial location, major activities, estimated timeframes for implementation, implementation agencies, preliminary capital and operational budget implications and source finance.

5.6 Phase 6: Integration

5.6.1. This component of the IDP Housing Chapter will highlight the implications of the priority human settlement projects on other departments in the municipality in terms of, for example, land acquisition, township establishment, engineering services, community facilities, LED etc. It should further highlight their relationship to the IDP objectives and strategies, after having considered how integration with the other affected sectors is to occur.

5.6.2. Clarify the integration through a preliminary assessment of the social, economic, environmental, infrastructural as well as the spatial feasibility of the housing projects and how further issues for implementation are to be resolved. Also clarify the coordination of the housing projects funding with the 5-year financial plan and capital investment programme for the IDP. A broad action plan for delivery including all the priority housing projects and the institutional arrangements for municipal management should be developed.

Phase 7: Approval

5.7.1 This will be the last phase in the study and will comprise the circulation of the Municipal Housing Chapter for the public comment, the final amendment of the document, and Approval by the municipality.

5.7.2. The final output, which includes the above components, is an adopted Human Settlements / Housing Chapter aligned to the Municipal IDP.

5.7.3. Submissions of reports should be in a form of both hard and electronic versions. Ownership of documentation collected from this project vest in KZN-PDHS. The KZN-PDHS will become the custodian of documentation submitted. The service provider will be responsible for the layout design and editing of the publication.

5.7.4. Mapping should be submitted in Arc View GIS capable file format (shape-files, layer files, mxd files) for use in a GIS environment. All mapping notation should be in keeping with the standards already established in the Jozini Municipality and in accordance with the collaborative processes undertaken throughout the project.

- 5.7.5. The Service Provider should ensure that all GIS data and meta-data is fully compatible with that of the Jozini Municipality GIS Unit i.e. (ArcGIS 10.5.1).
- 5.7.6. All documents and communication media should be prepared well in advance of any stakeholder engagement process and should be to the satisfaction of Jozini Municipality.
- 5.7.7. The Service Provider will be expected to submit all reports and associated communications media i.e. minutes, agendas and attendance registers for each phase of the project.
- 5.7.8. Final consolidated report should consist of the following and be submitted to Jozini Municipality:
- 5.7.8.1. Two (2) copies of the prepared hard copies of the report:
 - 5.7.8.2. One (1) soft copy report copied on a CD/DVD with attached maps (in both PDF and Word format). Maps should be submitted in both Arch View and JPEG format.

6. MILESTONES AND TIMEFRAMES

- 6.1. This project will commence after a letter of appointment has been issued and a Service Level Agreement has been signed which will expire in six (6) months thereafter and is subject to addition, extension or early termination, depending on the need and performance assessment of the appointed service provider.
- 6.2. The Jozini Municipality reserves full right to implement the above mentioned clause.
- 6.3. Refer to Table 1 below which sets out the project milestones and timeframes.

Table 1: Project Milestones and Timeframes

Milestone	Timeframe
Phase 1: Inception and Orientation	2 weeks
Phase 2: Situational Analysis	1 month
Phase 3: Draft Human Settlements/ Housing Chapter	1 month and 2 weeks

Phase 4: Stakeholder Engagements/ Workshops on Human Settlements Chapter.	1 month
Phase 5: Integration and Implementation Plan	3 weeks
Phase 6: Final Human Settlements/ Human Settlements Chapter	4 weeks
Phase 7: Close Out Report	1 weeks
Total Estimated Project Timeframe	6 Months

7. SKILLS AND EXPERTISE

- 7.1. The service provider must demonstrate the following characteristics as an indication of its capacity and readiness to implement the project:
 - 7.1.1. At least 10 years' experience in the field of human settlements development with emphasis on the Human Settlements / Housing Chapter or sector plan and experience in the development of human settlements master plan would be added advantage;
 - 7.1.2. Extensive and demonstrable experience in human settlements programme(s), in terms of the National Housing Code;
 - 7.1.3. Extensive and demonstrable experience in research and analysis;
 - 7.1.4. Knowledge of the South African legislative and regulatory environment relating to human settlements, informal settlement upgrading and planning processes;
 - 7.1.5. Proven ability in effective written and oral communication;
 - 7.1.6. Proficiency in the use of standard word processing, web browsers, and presentation software;
 - 7.1.7. Institutional capacity to successfully carry out a project of this nature.

8. CAPACITY BUILDING AND SKILLS TRANSFER

- 8.1. Skills development is an integral part of the project. The process should ensure that skills development and skills transfer occurs

within the project and is to be achieved with municipal and KZN-PDHS officials.

8.2. The appointed Service Provider should allow for skills development and transfer which will be achieved, monitored and evaluated within phases needed to be completed by them.

8.3. Skills transfer is not to be seen as coterminous with stakeholder meetings and feedback sessions within the Upgrading of Informal Settlements and Management Strategy development process. Genuine, hand on planning work, particularly on informal settlements upgrading is an essential aspect of the project skills transfer.

9. INFORMATION GATHERING

9.1. The selected service provider will be expected to make contact with all the relevant officials and units within all spheres of government and other stakeholder of government or any entity holding information relevant to the project to obtain relevant information that will be required for the project when a need arises.

9.2. Existing information, which is available within the Jozini Municipality: Integrated Human Settlements and Planning unit will be made available to the appointed service provider during the execution of the project.

9.3. In the case where a letter to confirm and motivate for requesting information from the different spheres of government or parastatals is required, the Jozini Municipality will provide the requested letter.

9.4. Notwithstanding anything written in this term of reference, the responsibility for collecting information necessary for the successful execution of the project remains entirely with the service provider.

10. TERMS AND CONDITIONS OF APPOINTMENT

10.1. Appointment will be subject to the Service Provider's express acceptance of the Jozini Municipality Supply Chain Management general contract conditions.

10.2. The KZN-PDHS and successful Service Provider(s) will sign a Service Level Agreement upon appointment.

10.3. The service provider should submit an acceptance letter and be available to commence with the project within five (5) days after receiving official order and the service level agreement signed.

10.4. During the execution of the project, the service provider is required to give reports on the progress of the project. It is the responsibility of the service provider to organize the progress report meetings, and have one of their

representatives assigned to taking minutes and circulating them to the steering committee members.

10.5. Project team members must be available for the duration of the project, the service provider is not allowed to change the composition without prior consent of the Jozini Municipality.

10.6. Any deviation from the project plan should be put in writing and signed by the project manager of Jozini Municipality.

10.7. Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract.

10.8. Payments will be on work completed basis i.e. on set milestones as per project plan.

10.9. Financial penalties will be imposed for agreed upon milestones, targets, and deadline not met without providing:

- a) Timely notification of such delays
- b) Reasons for the delays.
- c) Supporting evidence that the delays were outside of the influence of the service provider.

10.10. Payment will ONLY be made as per deliverables and upon SATISFACTION of good and quality product.

Therefore, original invoices submitted for payments must be submitted for payment with relevant supporting documents. No copies or e-mailed invoices will be processed.

10.11. Financial penalties will be imposed if the outputs produced do not meet the agreed upon deliverables criteria as stipulated in the General Conditions of Contract.

10.12. When Jozini Municipality accepts the final product, the appointed service provider will be liable to correct errors and fill gaps that may be discovered in the data/project, at no charge to Jozini Municipality. **This condition will apply for a period of one (2) month from the day the project was completed and submitted to Jozini Municipality.**

10.13. The Department reserves the right not to appoint anyone.

10.14. No material or information derived from the provision of the services under the contract may be used for any other purpose except for those of the Jozini Municipality, except where duly authorized to do so in writing by the Jozini Municipality.

10.15. Copyright in respect of all documents and data prepared or developed for the purpose of the project by the Service Provider shall be vested in Jozini Municipality.

10.16. The successful Service Provider agrees to keep confidential all records and information of, or related to the project and not disclose such records or information to any third party without prior written consent of Jozini Municipality.

11. MANDATORY REQUIREMENTS

NB: Failure to submit/attach proof of the following requirements with the proposal will disqualify the bidder's proposal.

- 11.1. Original and Valid Tax Clearance Certificate issued by the South African Revenue Services (SARS), where **consortium/joint ventures/sub-contractor** are involved each party to the association must submit a separate valid original Tax Clearance Certificate.
- 11.2. A resolution authorizing a particular person to sign the bid documents.
- 11.3. The Project leader must be registered with SACPLAN as a Professional Town and Regional Planner (attach a copy of certificate).
- 11.4. Proposal for technical ability to execute the project is compulsory.

12. EVALUATION PROCESS

- 12.1. The KZN-PDHS needs to be satisfied, in all aspects, that the appointed service provider has the necessary resources, qualifications and abilities

for this project, and that all submission are regarded in a fair manner in terms of evaluation criteria and process.

12.2. The general methodology of selection will be that proposals will first be evaluated on their technical ability to perform the task. Any proposals scoring below 70% of the points noted in the table below will be disqualified for the second evaluation. The second evaluation of technically competent proposals will be evaluated against Price and B-BBEE using 80/20 Price/B-BBEE formula.

Table 2: Evaluation Criteria

EVALUATION CRITERIA		Maximum points
Company profile (s) to be submitted (in case of a joint Venture, all companies must submit separate profiles) indicating the Lead Company. (Profiles to be appropriate to tender subject matter).		10
<i>CV's of key personnel to be allocated for the project: The project manager must have a Master's degree in Town and Regional Planning</i>		15
CVs of team members proposed to do the work (Town planner, Environmentalist, Engineers, surveyors, GIS Specialists and any other relevant profession.	Obtainable Scores	
1	3	
2	6	
3	9	
4	12	
5 or more projects completes	15	
<i>List of contactable references of bidder's performance on previous projects undertaken</i>		20
No of projects completed	Obtainable Scores	
1	4	
2	8	

3	12	
4	16	
5 or more projects completes	20	
Proof of registration with relevant bodies		15
Approach, Methodology, Work Plan and Process		20
Project plan to ensure successful implementation of the Municipal housing sector plan		10
Skills transfer plan		10
Total points		100

12.3. The following criteria will be used for point's allocation for price and B-BBEE compliance on 80/20 point system

Criteria	Sub-Criteria	Weighting/Points
Price	Detailed budget Breakdown	80
B-BBEE Status Level Verification Certificate from accredited verification agencies.	B-BBEE Level Contributor	20
Total		100

13. SUBMISSION OF PROPOSALS

Proposals should be submitted on or before the 18 October 2019 by no later than 12h00 to the following address: Jozini Local Municipality
Circle Street, Bottom Town
Jozini
3969

Ms N Ndaba

Director Planning & Economic Development Services

Mr. J.A Mngomezulu

Municipal Manager