

MENTORING SERVICES FOR SMMEs

TERMS OF REFERENCE

To:	Service Providers
Date	15 th September 2020

QUOTATION REQUIRED FOR

Sector to be Mentored	Manufactures x 13
Duration	3 Months
Scope of Service Required	<p>Mentorship for a period of 3 months.</p> <p>(A) Scope of service required:</p> <p>Mbizana Local Municipality requires services of the mentor for a period of 3 months. During this period, SMMEs are expected to grow and develop as business people in understanding principles of financial management, business management and importance of implementing systems and processes in the business.</p> <p>Scope of work:</p> <p>(B) Financial acumen</p> <ul style="list-style-type: none"> - Understanding of management of business finances; - Understanding the separation of personal finances from business; - Importance of monthly management accounts; - Understanding of how revenue is generated and how cash flow is managed; - Understanding the importance of paying taxes and keeping sound tax affairs at all times;

- Relationship between sales vs cost of sales;
- Difference between cash, profit and turnover;
- Ability to read financial information & interpret it.

(C) Business management:

- Understand statutory requirements;
- Risk identification and mitigation and;
- Understanding employee matters
E.g. contracts; UIF, Health and safety occupation
- Importance of having supervisor and or assistant;
- How to keep business information and or business records.
- Business linkages
- Access to markets

The process will include:

- Gap analysis;
- Determination of areas of focus;
- Mentoring & submission of monthly progress reports (including monthly management accounts);
- Final reports with recommendations.

Expectations and requirements are as follow:

- Contacts with SMMEs for at least 2 hours per week (attendance register will be required as evidence);
- Continuous communication with the designated local economic development official
- Deliver monthly reports to Mbizana Local Municipality;
- Deliver a final report on project completion.

• **Final report to cover:**

- Interventions done;
- Progress and /or achievements;
- Challenges identified; and
- Recommendations for future interventions.

**Evaluation
Criteria**

Reporting intervals:

1. 1st month = Situational/Gap analysis;
2. 2nd month = Mentoring and report submission;
3. 3rd Month = Mentoring and report submission end of the project with recommendations

The bids will be evaluated in two stages, namely:

- Stage 1- Functionality
- Stage 2- Price and BBBEE Points

Only Bidders who score 60% or more on stage 1 would be evaluated further and therefore eligible for the award.

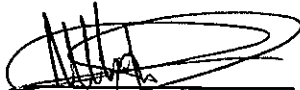
Criteria	Weight
STAGE 1 OF EVALUATION – FUNCTIONALITY	
Functionality	100
• Previous Experience	20
• Capacity and Expertise (accreditation)	50
• Methodology	30
STAGE 2 OF EVALUATION – PRICE & PREFERENTIAL POINTS	
BBBEE POINTS	20
Price	80
TOTAL	100

20 Points for previous experience are spread as follows:

- Traceable record of experience in conducting a minimum of 2 mentorship programmes or related programme, 20 points may be awarded.
- Traceable record of experience in conducting a minimum of 1 mentorships programmes or related programme, 10 points may be awarded.

	<p><u>50 Points for Capacity and Expertise are spread as follows:</u></p> <ul style="list-style-type: none"> • Accreditation as a mentor in small enterprise development <ul style="list-style-type: none"> ◦ Attach certificates • Curriculum vitae of team with traceable references. <p><u>30 Points for Methodology are spread as follows:</u></p> <ul style="list-style-type: none"> • Clear proposal containing the implementation plan for mentoring SMMEs.
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Supply Chain Enquires	Mr. Z. Khala
Designation	Supply Chain Manager
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Approved by



Ms. N. Mafumbatha

SNR Manager Development Planning