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**REVIEW OF THE ECONOMIC VIABILITY STUDY RESULTS FOR ALL MODES OF
LAND PUBLIC TRANSPORT FOR THE 10 MUNICIPALITY DISTRICTS IN
KWAZULU-NATAL FOR A PERIOD OF 24 MONTHS.
ADDENDUM NO. 1**

Date Issued: 14 August 2023

This Addendum No.1 comprises a total of **9 PAGES**, including this page.

I/We acknowledge receipt of this Addendum No.1 and have made the required alterations to our bid documents.

BIDDER:.....

SIGNED ON BEHALF OF BIDDER.....

NAME OF SIGNATORY:.....

DATE:.....



THE FOLLOWING AMMENDMENTS HAVE BEEN MADE ON THE TENDER DOCUMENT

A. Page 10-11 (SBD 3.3) Item 5.2 under no.x iLembe District has been included

SBD 3.3

SECTION E

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO
ZNB01845/00000/00/HOD/GEN/22/T	
CLOSING TIME 11:00 CLOSING DATE.....	

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY
	** <u>(ALL APPLICABLE TAXES INCLUDED)</u>	

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.
R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION HOURLY RATE DAILY RATE

.....	R-----
.....	R-----
.....	R-----
.....	R-----
.....	R-----

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE



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COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

5.1 Presentation and approval Inception Report by steering committee R----- days

5.2 Survey, analysis and presentation of draft report - to steering committee for approval for the following Districts

- i. Umkhanyakude District R----- days
- ii. Zululand District R----- days
- iii. King Cetshwayo District R----- days
- iv. Ugu District R----- days
- v. Harry Gwala District R----- days
- vi. uThukela District R----- days
- vii. uMzinyathi District R----- days
- viii. aMajuba District R----- days
- ix. Umgungundlovu R----- days
- x. **iLembe** R----- **days**

5.3 Presentation and approval of the Final report And Close-out report R----- days

6 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
R.....	
R.....	
R.....	
R.....	
TOTAL: R.....			

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

7. Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost,



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etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
R.....
R.....
R.....
R.....
TOTAL: R.....			

- 8 Period required for commencement with project after acceptance of bid
- 9 Estimated man-days for completion of project
- 10 Are the rates quoted firm for the full period of contract? *YES/NO
- 11 If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....

***[Delete if not applicable]**



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Any enquiries regarding bidding procedures may be directed to the –

KZN Department of Transport
Mr Sandile Nkala
Sandile.nkala@kzntransport.gov.za

Tel: 033 355 8975

Or for technical information –

Ms S Godlwana
siphokazi.godlwana@kzntransport.gov.za
Tel 033 355 8692



- B. Pages 35 to 37 under Background, second paragraph should read as follows in bold
- C. On page 36 no. of District Municipalities has changed to 10
- D. Page 37 no. 5 the table has been amended under phase 2 and phase 4

Section K
Terms of Reference / Specification

1. THE FOCUS OF THE STUDY (SCOPE OF WORK)

Background

The best practise across successful organisations is that they conduct periodic evaluation of their business at determined and agreed upon intervals to establish whether they are executing their functions and programmes accordingly. This review assists them to reach the intended outcomes as well as improve on how to implement their business processes and mandate.

The Department conducted an economic viability between 2016 and 2018. The results received are now due for review from 2023. The study will assist the Department to address public transport regulation within the Province. In terms of Section 11(b) of the NLTA 5 of 2009, the Provincial sphere has a responsibility to assist with capacity where the local sphere lacks capacity. Findings indicate that most of the public transport conflict is the result of route encroachment by other associations or oversaturation of routes within the associations.

Furthermore, one of the National Taxi Lekgotla 2020 resolutions was that PRE's need to conduct economic viability studies on all public transport routes in order to ensure there is no oversupply of public transport and operating licenses in the Provinces. It is against this background that the periodic review of public transport routes is conducted to check whether issuing of operating licenses is still required or the Province has reached capacity.

This section focuses on the evaluation question to respond to, key activities, and who the intended users and stakeholders of the evaluation are.

1.1 Economic viability study Questions: 10 District Municipalities

Area of the Study	Question that must be answered
Review the public transport operations in the Province on a case by case	<ul style="list-style-type: none">• Is the current regulation strategy correct?• If not, how can it be improved?
Impact of the intervention	<ul style="list-style-type: none">• Review the previous study on the economic viability to determine supply and demand in the Province for public transport?
Process audit (how activities and outputs are leading to outcomes and impacts)	<ul style="list-style-type: none">• What role is the played by municipalities in the approval of the operating license? Is it implemented by all local municipalities surveyed?• Are the transport plans (integrated) assisting in the correct issuing of the operating license?• How is supply and demand of public transport determined in the granting of an operating license?



- Determine areas in need of subsidized or contracted services
- Total number of routes approved and operated
- Total number of routes that are saturated
- Total number of routes that are under supplied with public transport and number of vehicles recommended
- Number of commuters using Public transport-per mode
- Number of vehicles using saturated routes-both legal and illegal
- Determine supply and demand of public transport –per municipal district-for all modes of public transport
- Determine dormant permits and operating licenses in all 9 district municipalities
- Forecast on possible new development that can create more supply and demand i.e. shopping malls and residential areas
- Are there any operating licenses in excess? What is their value? If any based on their validity period? What is the proposed compensation to operator? If any?
- Re-detail all routes on the public transport register to ensure accuracy as reflected on the public transport routes register
- Detail all unregistered routes identified for purposes of uploading on the system
- Mapping of all public transport routes on the Departmental GIS portal as well as the public transport operating license system highlighting the saturated and viable routes.

2.3. Activities

There are several activities required to undertake the project. These include the following:

- regular steering committee meetings
- approval of inception report
- submission of draft theory of change log frame
- approval of report structure, final data collection instruments and other tools
- approval of analysis plan
- submission of other technical reports
- submission of other technical reports
- submission of Draft Evaluation Report for review in 1/3/25 format
- workshop with stakeholders to discuss draft report
- approval of the final Study Reports
- proposed changes to intervention design if needed
- submission of all data sets, metadata and survey documentation (including interview when data is collected)
- submission of power point or audio-visual presentation of the result presentation of the results
- project closing meeting

2.4. Intended Users and stakeholders of the Economic Viability Study

The potential users of the study will be the decision makers in the Department and in government. They will use the results mainly for strategic decision making to shape the strategic approach for the issuing of new operating licences and conflict interventions in the future.



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The decision makers will need to communicate and workshop the findings to the implementers as well so that these are actioned affectively.

The key stakeholders that will be involved include senior management in the Department, inclusive of the Accounting Officer and the Executing Authority. The key components that will be involved but not limited to these:

- Traffic Management i.e. Special Operations, Metro police and traffic police
- Municipalities
- Provincial Regulatory Entity
- Public Transport Services directorate
- Public transport operators
- Strategic Planning Chief Directorate

The study is focusing on 10 district municipalities

3. STUDY DESIGN

During the inception phase the methodology will be determined once there has been direct interaction with the consultant, and the inception report form the basis for contractual agreement on what is to be covered. The methodologies may include quantitative /qualitative/ mixed methods e.g.

- Document review/analysis of programme/project records;
- Interviews;
- Research synthesis
- Anticipatory methodologies with citizens/key stakeholders/partners
- Focus groups etc.

4. STUDY PLAN

4.1. Products/deliverables expected from the evaluation

The evaluation plan also forms the basis for judging performance. It will be used in the criteria for evaluation purposes and include the following

- Inception report by the consultant as a follow- up to the proposal with a revised study plan, overall study design and detailed methodology and content and structure for the final report.
- Literature review;
- Final data collection instrument other tools;
- Analysis plan;
- Other technical or process reports, e.g. field work report; actuary reports
- Draft study report for review
- Possibly a workshop with stakeholders to discuss the draft report;
- The final evaluation report, in hard copy and electronic format,
- Proposed changes to the intervention design if needed- if the design is found to be inadequate then the consultant or department will need to suggest what revisions to the logic model are needed, and theory of the change. The Department may then need to redesign the intervention. This may be part of the final report.
- Provision of all datasets, metadata and survey document (including interviews) when data is collected and;
- A power Point or audio-visual presentation of the results

Notes points:

The 1/3/25 rule for reports should apply. This is a one-page policy summary of implication for policy, a three to four-page executive summary of the whole report and a 25-page main report (Arial 11 point, single space, exclusive of appendices). This will apply to all interim reports.

**KWAZULU-NATAL PROVINCE**TRANSPORT
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The time frame for the project is 24 months. The consultant in his or her proposal must be able to provide an implementation plan which encompasses all aspects mentioned above and clearly indicate the time required to achieve milestone.

5. BUDGET AND PAYMENT SCHEDULE

The budget comes from the Regulation and Support Services. Payment will be made as follows:

Phase	Deliverables	% of Budget	Proposed Timeline
Phase 1	Presentation and approval Inception Report by steering committee	10%	1 month
Phase 2	Survey, analysis and presentation of draft report to steering committee for approval: uMkhanyakude	5%	22 months
	Survey, analysis and presentation of draft report to steering committee for approval: Zululand	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: King Cetshwayo	15%	
	Survey, analysis and presentation of draft report to steering committee for approval: iLembe	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: uGu	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: Harry Gwala	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: uThukela	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: uMzinyathi	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: aMajuba	5%	
	Survey, analysis and presentation of draft report to steering committee for approval: uMgungundlovu	10%	
Phase 3	Approval of final all reports by steering committee and proposed recommendations to improve regulation of public transport.	10%	1 month
Phase 4	Submission of close-out report	20%	1 month
		100%	24 months

Signed by:NONHLANHLA PEARL HLOP
Signed at:2023-08-14 15:24:43 +02:00
Reason:I approve this document

Date: 14/08/23

Miss NP Hlophe
Director: Regulation and Support

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Approved/ Not Approved
Bid Specification Committee

Signed by: Sibusiso Wellington Ngcobo
Signed at: 2023-08-16 09:26:10 +02:00
Reason: Witnessing Sibusiso Wellington



Signature: _____

Date: 14/08/23 / _____