



Transport Education Training Authority

*Driven by Vision*

## TERMS OF REFERENCE

**Purpose:**

**Request for Proposals from skills development providers to provide last mile delivery Entrepreneurship (New Venture Creation) Training Solutions**

### **SPECIFICATION GOODS AND SERVICES REQUIRED**

#### **1. BACKGROUND**

The Transport SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998). TETA, a public entity that reports to the Minister of Higher Education Science and Innovation operates under the oversight of National Treasury in terms of performance management and financial administration, is a Skills Education and Training Authority responsible for skills development in the transport sector.

The primary functions of TETA are to develop a Sector Skills Plan; facilitate the development, registration and implementation of learnerships, skills programmes and strategic initiatives; approve workplace skills plans; disburse grants to stakeholders; and assure quality of education and training that falls within the scope of the sector.

##### **1.1 Current state of affairs**

The world as we know it is continually changing, and one of the fundamental drivers is digital transformation. At its core, digital transformation isn't about Internet "unicorns." It's about using the latest technology to do what you already do – but better.

Digital transformation refers to the adoption of digital technology to transform services or businesses. This is achieved by replacing manual (non-digital) processes with digital ones or replacing outdated digital technology with upgraded digital technology. The digital economy is the economic activity that results from billions of everyday online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is hyperconnectivity which means growing interconnectedness of people, organisations, and machines that results from the Internet, mobile technology, and the internet of things (IoT).

The digital economy is taking shape and undermining conventional notions about how businesses are structured; how firms interact; and how consumers obtain services, information, and goods. People regularly work from different offices, their home, or a local coffee shop – now even more so since the pandemic has pushed remote working to the fore. While where we work has changed, we all expect the same level of connectivity experienced in the physical office. The emergence of this flexible, global enterprise requires organisations to manage a dynamic ecosystem of talent and enable next-generation digital business processes that prove to be effective, even when distributed across various places and time zones.

In the digital economy, all customers – business-to-business as well as business-to-consumer alike – want to interact with businesses when and where they want and in a fashion that is most convenient for them. Additionally, customers desire engagement with brands through experiences that are seamless, omnichannel, direct, contextual, and personalised. It has become crucial to give all customers a personalised and unique journey right from the minute they land on a business's website, all the way to making a purchase in a particular store and beyond.

The 2020 pandemic has certainly fast tracked this transition in some respects, at least in the short term, but has also highlighted the need for organisations to adopt a more open minded approach to longer term digital enablement of the workforce.

The drop in financials in the transport industry is due to the transport sector as a whole being negatively impacted by the pandemic with many transport entities being forced to shut down. This coupled with the overall poor performance of the economy has unfortunately led to an increase in the country's unemployment rate (34.4%). Despite this, a silver lining in the industry has been the rapid rise of last mile delivery services (Estimated market globally expected to reach \$200bn by 2027) with many large established organisations having to rethink how they get their products/services into the hands of their customers.

This has led to an increasing need in qualified independent last mile drivers. Our initial observation of the market suggests that employers are looking for last mile drivers with a specific set of skills that go beyond just having a driver's license. This is due to the overall customer experience greatly influencing the customer's decision on whether to purchase using the last mile service again. This has led to last mile delivery services having a specific set of criteria used to employ or include independent drivers into their pool of last mile drivers.

Nevertheless, large retailers are fully aware of the importance the last mile drivers play in the overall customer experience. Two of the top seven priority initiatives among global retailers and manufacturers is (i) Improving the ability to take dynamic & proactive action on in transit issues and (ii) Gaining greater control over the customer experience related to delivery. In fact, further research has indicated that 72% of customers become repeat customers if delivery is timely.

The aforementioned industry priorities and research as well as the current shortage of professionally trained drivers in South Africa further emphasises the need and important role that drivers play in the transport sector. However, the current training programmes offered for drivers is technically related and does not allow to be done at large scale. Furthermore, many of these training programs do not address the key skills that last mile drivers need to have. In essence, last mile drivers need to be able to have both technical and soft skills in order to meet the demands of the market.

Consequently, this project seeks to address the challenges in a succinct and cohesive manner. This project will seek to achieve the following objectives:

1. Roll-out an accredited and customized training programme for last mile drivers that meets the specific needs of industries who have a last mile function
2. Train unemployed individuals as SMMEs to take up last mile delivery opportunities
3. Provide individuals with a combination of hard and soft skills required for the last mile transport industry

4. Ensure that trained individuals meet specified sets of employer's requirements in the last mile delivery environment.
5. Motorbike Training to enquire a motorbike license to do deliveries.
6. Provide trained new start up business to secure opportunities.

While TETA has a mandate to deliver services to the transport sector as a whole, there are still challenges. Some of these challenges include the increasing demand for skills and the inability to fund these skills due to budgetary constraints as well as the high costs of training, typified by the aviation industry.

In general, the levy income from the transport sector remains low and this calls for increased advocacy on the part of all TETA management and stakeholders. TETA management and relevant stakeholders have indeed in the past few years advocated for more resources to support skills development in the transport sector. This has resulted in the signing of a Partnership Agreement with the National Youth Development Agency to jointly fund strategic skills intervention that will enhance employability, enable entrepreneurship and to preserve jobs by integrating/re-integrating unemployed youth into the labour market. This is a flagship project between the two Sector Education and Training Authorities. To effectively and efficiently implement the programme, TETA seeks the services of a competent and experienced provider to provide accredited new venture creation training, registration of new business for unemployed registered for new venture creation training, train the unemployed individuals to acquire motorbike drivers licenses; secure contracts or opportunities for the newly established and trained individual businesses to companies that have a last mile delivery function, support the newly established companies and trained individuals to obtain motorbikes to make deliveries and provide business start up support for a duration of two to three months. The programme cover delivery in all nine provinces and with a focus on specific skills development areas described in these terms of reference.

## 1.2 **TETA/NYDA Partnership**

TETA has a partnership agreement with National Youth Development Agency to train unemployed youth to take up prevailing last mile delivery opportunities in the transport sector.

## **2. PURPOSE**

TETA wishes to invite proposals from credible skills development providers who will provide new venture creation accredited training, motorbike drivers licence acquisition, secure last mile delivery opportunities and business start-up support to unemployed youth.

## **3. OVERALL OBJECTIVES**

The overall objective of this TETA/NYDA initiative is to deliver skills developments solutions to enhance employability, enable entrepreneurship and to secure opportunities in the last mile delivery environment for the unemployed youth to secure last mile delivery opportunities in the transport sector.

## **4. RESULTS TO BE ACHIEVED BY THE SERVICE PROVIDERS**

Four (4) Key Skills Development Areas have been prioritized in the broader Transport Sector and in the Training Strategy of TETA:

- Creation of a pool of skilled individuals in line with the TETA Small Business Development Strategy through the motorbike driver training programme aimed at supporting last mile delivery in the transport sector
- Support the National Road Safety Strategy, is aimed at stemming the high incidence of accidents and fatalities on South African roads; through the road safety awareness training programme;
- Support the creation of competent and ready-for-the-last mile delivery opportunities learners in line stakeholder requirements;
- Support to Small Business Enterprises within the Transport Sector to encourage participation and growth, sustainability and job creation.

The Training Providers will contribute to the implementation of this framework and the achievement of the above SDAs.

## **5. ASSUMPTIONS & RISKS**

### **5.1 Assumptions underlying the project intervention**

There are assumptions that have been considered to ensure the success of this project, including:

- Various TETA divisions are determined to assess and monitor skills needs and are ready to embark on strategies to sustain the programme;
- Sufficient support for the training programme from top government levels is consistently present;
- Potential divergences within TETA regarding SETA landscape reforms strategy (objectives, means, process, timing) remain within toleration limits of programme;
- TETA and NYDA effectively takes ownership of the programme and its outcomes;
- Stakeholders are prepared to cooperate in implementing the skills development interventions;
- Quality Assurance Standards and accreditation requirements are accepted and implemented by skills development providers;
- Adequate uptake and through-put of learners during project duration;
- Provinces are supportive to the initiative in their carrying out of skills development intervention programmes.

### **5.2 Risks**

A number of key risks will have to be managed during the planning and implementation of this project. These include:

- The degree in which the selected programme and skills development providers will be able to familiarise themselves and establish an understanding of the TETA, NYDA and relevant stakeholders environment;
- Continued high level of ownership of the programme and continued input, buy-in and guidance by TETA and NYDA.
- Political factors and changes in policy directions at national-, provincial- and/or local government level
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## 6. SCOPE OF WORK

### 6.1 General

The last mile delivery entrepreneurship initiative aims to address the lack of employment of all unemployed youth through a process that will further entail assessment of skills and prioritise the development and delivery of suitable skills intervention and support aimed enhancing employability, enable entrepreneurship and to preserve jobs by integrating/re-integrating unemployed youth into the labour market front South Africa, in a coordinated and holistic manner. It seeks to develop the required capacity to enable skills development and relevant support through the efficient and effective use of limited resources.

This is in line with the Presidential Outcomes Framework and the Economic Recovery and Restructuring Plan( ERRP)

### 6.2 Specific activities

The following activities will form part of this initiative:

#### i. Programme launch

The Training Providers must in collaboration with TETA and NYDA organize and participate into the programme launch. This will include event planning and marketing of the programme to increase awareness and visibility of the intervention.

#### ii. Performance monitoring of learners

The Training Providers must provide training in the following areas:

For each learner and will inform TETA on any challenges. The reports will be accompanied by the learner's timesheet/logbook.

<b>INTERVENTION TYPE</b>	<b>QUALIFICATIONS</b>	<b>PROVINCIAL ALLOCATION</b>
Skills Programme (Accredited)	New Venture Creation (SMME)	ALL PROVINCES
Motorbike Drivers Licence Training	Driver licence from Department of Transport	ALL PROVINCES
Business Registration Programme	Business registrations issued by CIPC	ALL PROVINCES
Business Start Up Support	2 Months business start-up support	ALL PROVINCES

#### iii. Site visits and training monitoring

The Training Providers will be visited by TETA to check compliance before the release of payment to the training provider to ascertain quality of the training intervention and ensure that remedial action is implemented, where required.

The Training Providers must also ensure that:

- Accreditation on NVC skills programme is in place
- Commitment letters from employers are in place

- Completeness of captured learner information on systems in line with TETA and NYDA reporting requirements
- Learners are inducted prior to the commencement of the training

**iv. Completion of training programme – Certification**

The Training Providers must ensure that each learner will receive a certificate signed off by representatives of TETA and NYDA to indicate participation and successful completion of the programme.

**v. Close out of the programme**

The Training Providers must in collaboration with TETA and NYDA ensure that the learners are absorbed in companies that have last mile delivery opportunities in line with the submitted commitment letter.

**6.3 Reporting Requirements**

The Training Providers will be reporting to the TETA Strategic and Stakeholder Relations Manager on all aspects of the contract.

The Training Providers will be expected to produce but not limited to the following reports:

<b>Name of report</b>	<b>Content</b>	<b>Time of submission</b>
Inception Report	Analysis of existing situation and plan of work for the project	No later than 1 month after the start of the implementation
Learner Status Report	List of learners enrolled, terminated, achieved, certificated, deemed not competent	At point of attainment of status
Monthly Reports	Description of progress	5 days after months end of each month
Quarterly Progress Report	Short description of progress (technical and financial) including problems encountered; planned activities for the ensuing 3 months.	No later than 1 month after the end of each 3-month implementation period
Six-monthly Progress Report	Short description of progress (technical and financial) including problems encountered; planned activities for the ensuing 6 months, accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 6-month implementation period
Draft Final Report	Short description of achievements including problems encountered and recommendations	No later than 1 month before the end of the implementation period.

Name of report	Content	Time of submission
Final Report	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the Project Manager identified in the contract.

#### 6.4 Submission and Approval of Progress Reports

Reports should be written in English and submitted to the attention of the Strategic and Stakeholder Relations Manager in an agreed format with TETA.

#### 6.5 Project Management

##### 6.5.1 Responsible Body

The Contracting Authority will be the Transport Education Training Authority. The project will be implemented through the Strategic Projects and Stakeholder relations unit within TETA.

##### 6.5.2 Management Structure

The project will be managed by the Strategic Projects and Stakeholder Relations office of the Transport Education Training Authority.

Oversight for the implementation of the last mile delivery solution will be provided by a multidisciplinary *Transport Education Training Authority NYDA Steering Committee (TETANSC)*. The TETANSC will bring together all those involved in efforts to improve skills in line with targets covered in the government strategies and plans. The TETANSC will provide overall guidance on the implementation of the Programme.

#### 6.6 Duration of the project

The project is expected to run for a period of two years.

The Contracting Authority may, at its own discretion, extend the project in duration and/or scope (up to 100% of the original budget) subject to the availability of funding and within the overall timeframe of the NYDA and TETA, of which this programme will form part of.

#### 6.7 Human Resources Requirements

##### 6.7.1 Personnel

The Training Provider will provide a core team of Key Experts that have experience in the core Skills Development. Provision is made for the recruitment of other experts in various areas related to the assignment.

Four key experts will have a crucial role in implementing the contract, namely the:

- One Facilitator with a solid record of facilitating training programmes.
- One moderator with appropriate accreditation (registered moderator).
- One assessor with appropriate accreditation (registered assessor).
- Motorbike instructor (an experienced instructor with a track record of teaching young people on how to ride a motorbike)
- Accredited service provider in the following unit standards:
  - SAQA 119673
  - SAQA 119670
  - SAQA 119666
  - SAQA 119669
  - SAQA 119668

## 6.8 EVALUATION CRITERIA

The proposals will be evaluated using the following criteria:

Stage 1 – Mandatory Requirements

Stage 2 – Functionality Evaluation

### Stage 1 – Mandatory Requirements:

**The proposal needs to comply with the Mandatory Requirements listed below, and failure will lead to the disqualification of the proposal.**

#### MANDATORY REQUIREMENTS

Criterion	Requirement
Experience of the Training Provider	The Training Provider must have a minimum of three (3) years' experience in providing New Venture Creation or related Training. <b>NB. Complete Experience Schedule 1</b>
Training Provider accreditation	The Training Provider must be accredited by Service SETA in new venture creation unit standards (SAQA 119673, SAQA 119670, SAQA 119666, SAQA 119669, SAQA 119668). <b>NB. Attach accreditations certificates and not certified copies of copies</b>
Qualification of a <b>Facilitator</b>	The Facilitator must have a recognized B Degree or National Diploma. <b>NB. Attach certified copies of the qualifications and not certified copies of copies</b>

<b>Criterion</b>	<b>Requirement</b>
Qualification of the <b>Assessor</b>	The assessor must be registered with Services SETA as the constituent assessor. <b>NB. Attach registration certificate as a registered constituent assessor.</b>
Qualification of the <b>Moderator</b>	The moderator must be registered with Services SETA as the constituent moderator. <b>NB. Attach registration certificate as a registered constituent moderator.</b>
Motorbike Instructor	The motorbike instructor must have a certificate issued by the Department of Transport.
Last Mile Delivery – <b>Experience</b>	The Training Provider must have motorbike training experience supported by a reference letter.  <b>NB. References Letter must be in the letterhead of previously serviced clients.</b> Signed commitment letter from companies with Last Mile Delivery opportunities. Contract confirmation letters of trained motorbike learners placed in last mile delivery companies (supported by reference letters from companies that implemented placement). <b>NB: Complete Experience Schedule 3</b>

**NB. Training Providers must meet all aspects of the Mandatory Requirements to qualify for further evaluation on functionality.**

## 6.9 EVALUATION OF PROPOSALS – STAGE 2

The scores will be allocated according to the following **EVALUATION MATRIX** for assessment of bids:

**Values: 1 = Poor 2 = Average 3 = Good 4 = Very Good 5 = Excellent**

<b>No.</b>	<b>Functionality</b>	<b>Weighting</b>
1. Experience of the Training Provider	The Training Provider must have a minimum of three (3) years' experience in providing New Venture Creations or related Training.  <ul style="list-style-type: none"> <li>More than 5 years - <b>Excellent (5)</b> supported by 5+ reference letters</li> </ul>	20

No.	Functionality	Weighting
	<ul style="list-style-type: none"> <li>• 4 - 5 years - <b>Very Good (4)</b> supported by 4 reference letters</li> <li>• 3 years - <b>Good (3)</b> supported by 3 reference letters</li> </ul> <p><b>NB. Complete Experience Schedule 1</b></p>	
2. Facilitator	<p>The facilitator must have minimum qualification of B Degree or National Diploma.</p> <ul style="list-style-type: none"> <li>• <i>Doctorate / Masters</i> – <b>Excellent (5)</b></li> <li>• <i>Honours Degree</i> – <b>Very Good (4)</b></li> <li>• <i>B. Degree or National Diploma</i> – <b>Good (3)</b></li> </ul> <p><b>NB. Complete Experience Schedule 2</b></p>	20
3. Last mile delivery experience	<p>The Training Provider must have motorbike training experience supported by a reference letter.</p> <p><b>NB. References Letter must be in the letterhead of previously serviced clients.</b> Signed commitment letter from companies with Last Mile Delivery opportunities. Contract confirmation letters of trained motorbike learners placed in last mile delivery companies (supported by reference letters from companies that implemented placement).</p> <ul style="list-style-type: none"> <li>• 11+ years – <b>Excellent – (5)</b> supported by 4+ reference letters</li> <li>• 4 – 10 years – <b>Very Good (4)</b> supported by 3 reference letters</li> <li>• 3 years – <b>Good (3)</b> supported by 2 reference letters</li> </ul> <p><b>NB. Complete Experience Schedule 3</b></p>	60
	<b>TOTAL</b>	<b>100</b>

**NB.** If a Training Provider has assigned more than one Expert/Consultant to the project, only the scores of the qualifying Experts/Consultants will be averaged to arrive at the bidder’s minimum qualifying threshold of 70 points. Training Providers that score less than 70 points out of 100 points on functionality will not be considered for award.

**NB:** Stakeholders must submit proposals covering ALL provinces.

**NB.** If you do not receive a response in 60 days after the closing date of the proposal submission, consider your application unsuccessful.

## **7. ENQUIRIES**

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**NB.** ALL proposals must be submitted to [imc@teta.org.za](mailto:imc@teta.org.za)