

PROJECT STEERING COMMITTEE

TERMS OF REFERENCE (TOR)

DEVELOPMENT AND IMPLEMENTATION OF A REVENUE ENHANCEMENT PROGRAMME FOR SWELLENDAM LOCAL MUNICIPALITY

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1. INTERPRETATION AND DEFINITIONS

In Terms of Reference, unless the context indicates otherwise—

An expression, which denotes any gender, includes both genders, a natural person includes a juristic person and vice versa, and the singular includes the plural and vice versa.

- a) Clause headings are for convenience only and will not be used in its interpretation, and the following expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings.

“Agreement” means the Grant Agreement, between the Development Bank of South Africa and Swellendam Local Municipality;

“DBSA” means the Development Bank of Southern Africa Limited a Schedule 2 public entity established in terms of the Development Bank of Southern Africa Act, 1997 (Act No. 13 of 1997);

“Swellendam Local Municipality”, is a municipality established in terms of section 12 of the Local Government Municipal Structures Act, 1988 (Act of 1998).

“Partnership” means the collaboration between WC COGTA, and the DBSA for the provision of infrastructure planning support to under-resourced municipalities identified by the Parties during the duration of the collaborative partnership.

“Programme” means the provision of infrastructure planning support to under-resourced municipalities under the collaborative partnership between the Parties.

“PSC” means the Project Steering Committee to be established by the Parties to oversee the infrastructure planning support to be provided to under-resourced municipalities under the collaborative partnership between the Parties.

“Stakeholders” means individuals or entities that are directly or indirectly affected by the project, can potentially benefit from the project, or are able to resist or influence the changes occasioned by the project.

- b) Words and expressions defined in any sub-clause, for the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.

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- c) When any number of days is prescribed in this Agreement, they will exclude Saturdays, Sundays, and public holidays and will be calculated exclusively of the first and inclusively of the last day, unless the last day is not a business day, in which event the last day will be the next succeeding business day.

2. INTRODUCTION

The Development Bank of Southern Africa (DBSA) is one of Africa's leading Development Finance Institutions (DFIs) in infrastructure financing, planning, project preparation and institutional development for municipal infrastructure. Owned by the Government of South Africa, the DBSA seeks to support the shareholder's social and economic development imperatives partnering with both the public and the private sectors.

In responding to the shareholder's imperatives, the DBSA is positioned to provide dedicated support to municipalities through the Local Government Support Unit (LGSU) under the Coverage Division which facilitates an integrated delivery approach that includes lending and non-lending services and products offered by the Project Preparation Division, Transacting Division, Infrastructure Delivery Division, Innovation Unit, Investment Support Unit and the Research Unit. In each of these areas there are dedicated skills focused on municipal built infrastructure development supported by the Local Government Support Unit in extending non-lending capacity development including revenue enhancement, project and contract management, and technical advisory support.

The goal of the DBSA is to approach the project in an integrated and multidisciplinary nature. In line with this goal, the DBSA requires the services of a Professional Service Provider who possess relevant and appropriate skills, including project management, electrical engineering, civil engineering, finance, legal expertise, town planning and GIS in the area of municipal revenue enhancement and all its associated disciplines to provide professional consulting services of which AES Consulting (Pty) Ltd has been appointed for the development and implementation of a Revenue Enhancement Programme in support of the Swellendam Local Municipality (SLM).

The parties agreed (DBSA, Swellendam Local Municipality) that a Project Steering Committee (PSC) be established in order to provide governance to the Programme, promote effective cooperation between the parties, secure the involvement of key stakeholders, and provide a forum for monitoring progress.

3. PURPOSE OF THIS DOCUMENT

This document serves to outline the terms of reference for the establishment of the PSC.

3.1 Terms of Reference of the PSC

The Development Bank of Southern Africa (DBSA) has approved the development and implementation of a Revenue Enhancement Programme (REP) support for the Municipality. It is a condition to the Agreement that a Project Steering Committee (PSC) be established between the DBSA, the Municipality, and the PSP, in order to support the delivery of the Project funded by the DBSA accordingly, and in order to give effect to the above, the Parties agree as set out herein.

Establishment of the Steering Committee upon the Agreement becoming unconditional in accordance with its terms (save for any condition therein requiring the establishment of the PSC), it is agreed that:

- The PSC is hereby established as the joint steering committee in terms of the Agreement; and
- The role of the PSC is to provide strategic direction relating to the Project and to guide and coordinate the execution of the Project.

This Terms of Reference (TOR) of the PSC is the document that establishes the mandated roles and **functions** of the PSC. The PSC can be viewed as the key body within the project governance structure that is responsible for oversight over the operational issues associated with the proposed infrastructure planning support to identified under-resourced municipalities.

This includes;

- a) A clear description of the roles and functions of the PSC
- b) An agreed charter for PSC oversight.

3.2 Future Updates to the Terms of Reference of the PSC

The TOR of the PSC is not a **static** document **and will be improved when the need arises in line with the project life cycle and based on the mutual consent of all relevant parties**. The key is to obtain a clear sign-off where changes are required during the life of the project, and document and track the changes in the various versions of the TOR document.

4. MUNICIPAL PROJECT STEERING COMMITTEE (MPSC) TERMS OF REFERENCE

This is to provide oversight for the operational issues associated with the provision of infrastructure planning support to under-resourced municipalities. The PSC is responsible for monitoring the project's budget, progress, and benefits realized and monitoring risks, quality, and timeliness of delivery. The PSC's scope in terms of its functions is further elaborated below.

4.1 Role of the MPSC

These include the following:-

- a) To provide oversight in the implementation of the projects, and on the achievement of outcomes.
- b) Develop a framework for the joint identification by the parties of the relevant municipality to be provided with infrastructure planning support.
- c) Ensure the project scope aligns with the stakeholder groups' requirements.
- d) Provide guidance on the operational issues of the project.
- e) Provide oversight over the expenditure incurred and outputs achieved in order to meet stakeholder expectations.
- f) Address any issue that has major implications for the project.
- g) Monitor project scope and manage project scope changes.
- h) Reconcile differences in opinion and approach and resolve disputes arising from them.
- i) Make recommendations to the stakeholders for decision-making.
- j) Monitor compliance with legislation and statutory regulations in project implementation.
- k) Monitor and evaluate project implementation and progress (both physical and financial).
- l) Provide guidance in addressing challenges and bottlenecks as they arise.
- m) Oversee project closure.

4.1.1 Role of Individual MPSC Members

These include the expectation that each member is to:

- a) Appreciate the significance of the project for all stakeholders.
- b) Be an advocate for the project's outcomes.
- c) Have a broad understanding of infrastructure planning issues and the approach being adopted.
- d) Be committed to, and actively involved in pursuing the project's outcome.
- e) Assist in balancing conflicting priorities and resources.
- f) Check adherence of project activities to standards and best practices, both within the organizations and in a wider context.

4.2 Technical Project steering committee (TPSC) Terms of reference

4.2.1 Introduction

- It is a condition to the Agreement that the Municipality shall formally establish a Technical Steering Committee ("TPSC").
- The DBSA shall form part of the TPSC.
- Accordingly, and to give effect to the above, the Parties agree as set out herein.

4.2.2 Establishment of the Steering Committee

Upon the Agreement becoming unconditional in accordance with its terms (save for any condition therein requiring the establishment of the TPSC, with the DBSA's membership of the TPSC), it is agreed that:

- The PSC is hereby established as the joint technical steering committee in terms of the Agreement.
- The role of the TPSC is to provide technical direction relating to the Project and to guide and coordinate the execution of the Project; and
- The TPSC shall adopt the terms of reference prior to carrying its mandate as contemplated in these Terms of Reference.

4.2.3 Mandate of the Steering Committee

The mandate of the TPSC is to:

- Serve as the primary interface between the stakeholders in respect of the Project;
- Monitor the technical aspects of the Project; and
- Prepare and submit the technical progress report and recommendations to the Project Steering Committee.

4.2.4 Members of the TPSC

- The TPSC shall consist of representatives from relevant parties (each representative being a "Member").
- The first meeting of the PSC shall confirm quorum members and ex-officio members.
- Members shall remain as members of the TPSC until such time as their appointment is withdrawn by the stakeholder appointing that member on written notice to the chairperson of the TPSC. Members shall be entitled to nominate any representative to act as their proxy to attend and vote at any meeting of the TPSC.
- Whilst the stakeholders remain cognisant of the need to maintain continuity in membership of the TPSC, a stakeholder may replace a member at any time upon written notice to the chairperson of the TPSC.
- The Municipality shall select and appoint one of its members to act as chairperson of the TPSC.
- The Municipality shall ensure that minutes of all meetings of the TPSC are duly recorded and circulated to the members and the stakeholders.

4.2.5 Meetings of the TPSC

- The TPSC meeting frequency will be determined and agreed upon at the 1st meeting of TPSC,
- Meetings of the TPSC shall be co-ordinated through and called on by the chairperson whenever required in accordance with these Terms of Reference,

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- Notice of any meeting of the TPSC shall be sent to each member (and copied to the stakeholders) and shall confirm the venue, time and date, together with the proposed agenda for the meeting (including any supporting papers) reasonably practicable, as far as is reasonably practicable, at least 14 (fourteen) days' notice shall be given of any meeting of the TPSC.
 - The TPSC's meetings shall be held at municipal offices, or virtually via telephone, teleconference, videoconference Microsoft Teams or Zoom as agreed between the members.
 - From time to time the stakeholders may propose that additional representatives attend meetings of the TPSC and such request shall not be unreasonably refused by the TPSC.
 - All costs associated with the attendance of meetings of the TPSC, unless otherwise specifically agreed between the members, shall be for the account of the member incurring the costs.

4.2.6 Recommendations of the Steering Committee

- All recommendations of the TPSC shall be achieved by consensus, and if consensus cannot be reached, a majority vote (following reasoned discussion) of all members present at that meeting.
- The chairperson shall not have a casting vote.
- The chairperson shall ensure that the secretary of the TPSC accurately records all recommendations made and that copies of such decisions are provided to each member and the stakeholders as soon as is reasonably possible thereafter.
- The PSP shall provide secretariat support.
- The TPSC has no approval powers but recommends approval of reports or documents to the PSC chaired by the Accounting Officer.

4.2.7 Principles

In performing the tasks assigned to the TPSC, the members will observe the following principles, namely to:

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- Work together in a spirit of transparency and openness in which the achievement of the Project to a standard of excellence is a prime consideration.
 - Promote trust, fairness, cooperation, dedication to the agreed common goal while understanding each other's expectations and values.
 - Be cognizant of the expectations and interests of each of the stakeholders and seek to promote "win-win" solutions when balancing the interests of the stakeholders.
 - To accept that conflict is natural but, in such situations, to promote teamwork in order to work constructively through disagreements.
 - Show flexibility whilst still ensuring that the project achieves excellence in its construction and operational standard; and
 - Promote a culture of zero tolerance towards corruption and other improper activities and ensure adherence to applicable anti-corruption legislation.

5. ADMINISTRATION OF THE MPSC

5.1 Membership

The MPSC shall be comprised of:

- a) The Accounting Officer (Municipal Manager) of SLM or his/her designated lead representative to the PSC.
- b) At least two (2) senior managers appointed by SLM.
- c) At least one (1) project manager from the Planning Unit of the DBSA.
- d) At least one representative from the Department of Minerals and Energy
- e) At least one representative from COGTA, DBSA and PMU
- f) At least one representative from Eskom
- g) At least one representative from DWS
- h) At least one representative from DISTRICT
- i) At least one representative from MISA
- j) Representative(s) from the appointed PSPs project teams.

The following persons will be invited to the MPSC as may be required, from time to time, for specific purposes:

- k) The Manager: Planning Unit, Project Preparation Division of the DBSA
- l) Representative(s) from the appointed professional services providers' project teams.
- m) Other relevant representatives identified from time to time for specific purposes.

5.2 Conveners / Chairpersons

5.2.1 Chairing the MPSC meetings

The MPSC will be co-chaired by the Municipal Manager of Swellendam LM or his designated lead representative to the MPSC.

5.2.2 Hosting of the meetings

The MPSC meetings will be hosted by the Municipality.

5.3 Minutes & related documents

All proceedings and resolutions adopted at a particular meeting shall be recorded as Minutes. These Minutes shall be signed by the Chair. The municipality (with the assistance of the appointed PSP) shall provide secretariat support, by assisting in the recording, compiling, and distributing Minutes and other related documents.

Full copies of the Minutes, including attachments, shall be provided to all Project Steering Committee members no later than 14 working days following each meeting.

5.4 Frequency of Meetings

The Project Steering Committee shall meet as per agreed schedule once a month. The meetings shall be held in either Swellendam Local Municipality's offices or on-line as agreed and shall commence at 12h00 or as agreed.

5.5 Quorum Requirements

Recommendations or resolutions for the PSC will only become valid and Authorised only if the following stakeholders constitute a quorum (that is: SLM, PSP, and the DBSA)

5.6 Non-availability of the designated chairperson

If the designated Chairperson is unavailable, a senior official of SLM/ DBSA or WC COGTA/PMU as identified by the designated Chairperson for the purpose of the PSC meeting will be responsible for convening and conducting the meeting.

5.7 Language and Communication Formats

English will be the preferred language for all dealings of the PSC. The means of communication of the PSC shall be by email messages, faxes, and letters. Correspondence requiring approvals shall be by fax, letter, or scanned and emailed documentation. Reports submitted to the Parties shall be in both hard and electronic copies in software that is used by the Parties.

5.8 PSC Meeting Agenda

All PSC meeting agenda items must be forwarded to the Chairperson or the Convener by close of business seven (7) working days prior to the next scheduled meeting.

The PSC agenda with attached meeting documents will be distributed at least five (5) working days prior to the next scheduled meeting.

The Chairperson has the right to list an item on the formal agenda, but members may raise an item to be included in the agenda if necessary and as time permits.

5.9 PSC Meeting Minutes and related Documents

All proceedings and resolutions adopted at a particular meeting shall be recorded as Minutes. These Minutes shall be signed by the Chair. The municipality (with the assistance of the appointed PSP) shall provide secretariat support, by assisting in the recording, compiling and distributing Minutes and other related documents.

Full copies of the Minutes, including attachments, shall be provided to all Project Steering Committee members no later than 14 working days following each meeting.

5.10 Frequency of Meetings

The PSC shall meet at least every month or at other agreed intervals, on a date to be advised by the Chairperson in line with the Meeting Schedule to be agreed upon at the first meeting of the PSC.

5.11 Attendance at Meetings

Members of the PSC shall nominate a proxy to attend a meeting if the member is unable to attend. The Chairperson will be informed of the substitution at least three (3) working days prior to the scheduled nominated meeting. The nominated proxy shall have the right to contribute to resolutions at the attended meeting. The nominated proxy shall provide relevant comments/feedback, of the PSC member they are representing to the attended meeting.

5.12 Governing Law

The establishment and functioning of the PSC shall be governed by and interpreted in accordance with the Agreement between SLM and the DBSA and with the substantive laws of the Republic of South Africa.

5.13 Confidentiality and Publicity

Any confidential information obtained by any of the PSC members or arising from the implementation of the infrastructure planning support services to the under-resourced municipalities, shall be treated as confidential by the Party receiving it and shall not be used, divulged, or permitted to be divulged to any person not being a Party to the PSC, without the prior written consent of the PSC.

6. PSC LIFE SPAN

The PSC will be in existence during the lifespan of the project as covered by the Agreement between the Parties.

7. Approval

Approval of Project Steering Committee`s Terms of Reference

DBSA – Project Sponsor

Date

SLM – Project Owner

Date

AES Project Implementer

Date

8. Future Dates

As per schedule