

Date: 17 February 2026

Addendum

The National Housing Finance Corporation SOC Ltd (NHFC) hereby issues this memorandum as formal notification to all prospective bidders regarding the Amendment to the Methodology Evaluation Criteria – Request for Proposal for the Appointment of Internal Auditors for a thirty-six (36) month period.

1. Purpose of the Addendum

The purpose of this addendum is to provide clarification and amendments relating to the evaluation criteria under the functionality requirement titled “Proposed Methodology, Approach and Project Plan.”

All bidders are requested to take note of the following updates and ensure that their submissions comply with the revised requirements as outlined below.

2. Amendment to Project Management and Timelines Requirement

Element 10, titled Project Management and Timelines, has been clarified as follows:

- a.** Bidders must provide a high-level project plan outlining key activities, milestones, deliverables, and indicative timelines for the execution of internal audit services, ensuring effective coordination and timely delivery.
- b.** In addition, the project timeline must include a transitioning plan that will assist NHFC in transitioning towards the in-sourcing of the internal audit function.

3. Clarification of Functionality Scoring Criteria

The functionality scoring for the Proposed Methodology, Approach and Project Plan is clarified as follows:

- a.** The project management and timelines element (Element 10) is a mandatory component when assessing the number of elements addressed for scoring purposes.
- b.** For any scoring band requiring a specific number of elements, Element 10 must be included within the elements addressed for points to be allocated.

The revised scoring framework is therefore confirmed as:



<p>Proposed Methodology, Approach and Project Plan</p>	<p>25 Points</p>
<p>Bidders are required to submit a clear, detailed, and structured Methodology and Approach for the provision of Internal Audit Services. The methodology must demonstrate an understanding of the NHFC environment and outline how the bidder will deliver the services in compliance with the Public Finance Management Act (PFMA), National Treasury Regulations, the approved NHFC Internal Audit Charter, and the International Standards for the Professional Practice of Internal Auditing (IIA Standards).</p> <p>Bidders are encouraged to structure their responses in line with the elements outlined below. Failure to adequately address these elements may result in a lower score.</p> <p>1. Understanding of NHFC’s Mandate and Operating Environment</p> <p>Bidders must demonstrate an understanding of NHFC’s mandate, strategic objectives, governance structures, regulatory environment, and key risks relevant to a public-sector entity. The response should show how this understanding will inform the internal audit approach.</p> <p>2. Risk-Based Internal Audit Planning</p> <p>Bidders must describe their approach to developing and implementing a risk-based internal audit plan. This should include how NHFC’s risk register, strategic objectives, prior audit outcomes, and emerging risks will be considered to prioritise audit coverage.</p> <p>3. Engagement Planning and Scoping</p> <p>Bidders must explain how individual audit engagements will be planned and scoped. This should include the process for defining audit objectives, scope, criteria, timelines, and resource allocation, as well as the use of engagement letters or agreed terms of reference.</p> <p>4. Audit Methodology and Professional Standards</p> <p>Bidders must outline the audit methodology to be applied and demonstrate alignment with the IIA Standards and the NHFC Internal Audit Charter. The response should clearly describe the phases of the audit process, including planning, fieldwork, reporting, and follow-up.</p> <p>5. Fieldwork and Audit Execution Approach</p> <p>Bidders must describe the techniques and procedures that will be applied during audit execution. This should include approaches to walkthroughs, interviews, sampling, data analysis, and testing of both control design and operating effectiveness.</p>	



6. Quality Assurance and Review Processes

Bidders must explain the quality assurance measures that will be applied throughout the audit process. This should include supervision, review of working papers and reports, and alignment to a Quality Assurance and Improvement Programme (QAIP).

7. Reporting and Communication

Bidders must describe their approach to reporting audit outcomes. This should include the format and timing of draft and final audit reports, the process for obtaining management responses, and reporting to senior management and the Audit Committee.

8. Issue Tracking and Follow-Up

Bidders must outline their approach to tracking agreed management actions and conducting follow-up reviews. The response should indicate how the status of findings will be monitored and reported until all issues are resolved.

9. Independence and Objectivity

Bidders must demonstrate how independence and objectivity will be maintained throughout the engagement. This should include safeguards to ensure no management responsibility is assumed, in line with the IIA Code of Ethics.

10. Project Management and Timelines

Bidders must provide a high-level project plan outlining key activities, milestones, deliverables, and indicative timelines for the execution of internal audit services, ensuring effective coordination and timely delivery. **Project time line must include transitioning plan that will assist NHFC to transition to in-sourcing the internal audit function**

Bidders must ensure that their submission explicitly covers each of the elements listed above. Submissions that are detailed, well-organised, and tailored to the NHFC context will receive higher evaluation scores.

Bidders who do not achieve the minimum threshold of 15 points for this criterion will be disqualified.

No Proposed Methodology, approach and project plan or Methodology and Approach and project plan that does not address any elements or timelines.	0 Points
Proposed methodology with a project plan (with timelines) outlining three (1 -3) elements. The element for project management and timelines MUST form part of the three elements outlined for points to be allocated.	1 - 5 points



Proposed methodology with a project plan (with timelines) outlining four (4 - 5) elements. The element for project management and timelines MUST form part of the four elements outlined for points to be allocated.	6 - 10 points
Proposed methodology with a project plan (with timelines) outlining six (6 - 7) elements. The element for project management and timelines MUST form part of the six elements outlined for points to be allocated.	11 - 15 points
Proposed methodology with a project plan (with timelines) outlining eight (8 -9) elements. The element for project management and timelines MUST form part of the eight elements outlined for points to be allocated.	16 - 20 Points
Proposed methodology with a project plan (with timelines) outlining all ten (10) elements	21 - 25 Points

4. GENERAL

All other terms and conditions of the bid document remain unchanged. Bidders are requested to take careful note of the contents of this addendum when preparing and submitting their bids. Relevant documents, including Terms of Reference, may be downloaded for free from the NHFC website, <https://www.nhfc.co.za/procurement-and-tenders/current-tenders/> and E-Tender Portal. Sealed documents individually marked as per the above bid numbers and description must be placed in the Tender box situated at the NHFC's reception, address indicated below, on or before the closing date and time specified below. No bids will be accepted after the closing date and time. No bid sent per facsimile, post or e-mail will be accepted. Bids need to be submitted at the **05th floor, 90 Grayston Drive, Sandown, Sandton, 2031.**

The NHFC is not obliged to appoint the lowest bidder and reserves the right not to accept any submission or part of it and to re-advertise if it so decides. Service providers will be adjudicated according to the Procurement Policy using the points system mentioned above, PFMA, Act 01 of 1999, PPPFA, Act 2000 as well as the Broad Based Black Economic Empowerment Act, Act 5 of 2003 Administrative enquiries can be directed to **Ms Khensani Zungu** (Tenders01@nhfc.co.za).

Belinda Motau
General Manager SCM