

SECTION 2.2: SPECIFICATIONS AND TERMS OF REFERENCE

1.	BACKGROUND	COMPLY YES/NO
<p>1.1. Hessequa Local Municipality requires proposals from suitably experienced service providers to assist the Municipality with internal audit services. The primary aim being to perform a complete internal audit assignment on a high risk area of the municipality and report there-on. Ad Hoc investigations might also be requested from time to time.</p> <p>1.2. It is the intention to appoint the successful panel of tenderers for a contract period not exceeding three years to ensure the success of the project and to provide the municipality with the necessary business continuity and the building of institutional knowledge and capacity.</p>		
2.	SCOPE OF WORK	COMPLY YES/NO
<p>2.1 It is critical that the service provider to be appointed should have extensive experience in all the items listed below and must therefore be able to provide reference/written confirmation of all such projects successfully undertaken in the past, for each of the items listed below. Failure to provide sufficient evidence as well as contactable referees will exclude tenderers from earning points for functionality criteria as listed hereunder.</p> <p>2.2 Bidders must submit a valid certified copy of their IIA certificate.</p>		
3.	TERMS OF REFERENCE	COMPLY YES/NO
<p>3.1 Assist with internal audit assignments and reporting which must include, but not limited to the following:</p> <p>3.1.1 Audit planning / Notification letters / Engagement Planning Memorandum</p> <p>3.1.2 System descriptions / Process Analysis</p> <p>3.1.3 Engagement Work Program</p> <p>3.1.4 Identifying and Analyzing information (Testing and Evaluation of controls)</p> <p>3.1.5 Documenting Information / Reporting (Criteria, Finding, Root Cause, Risk, Recommendation, Management response, Agreed action and Implementation date)</p>		
<p>3.2 Assist in ad-hoc investigations on request.</p>		
<p>3.3 Skills transfer through on-the-job training with the specific aim to empower municipal staff to execute their duties unassisted.</p>		
<p>3.4 Working papers remain the property of Hessequa Municipality. The successful service provider may use its own internal audit software system or working papers for each assignment. Working papers must demonstrate conformance with standards for practicing Professional Internal Audit Services.</p>		
<p>3.5 The service provider will report directly to the Manager: Internal audit (or his nominee).</p>		
4.	APPLICABLE STANDARDS, SPECIFICATIONS AND REGULATIONS	COMPLY YES/NO
<p>4.1 That the services rendered must conform with the Global Internal Audit Standards as promulgated</p>		

Initials of Service Provider's Authority:

by the IIA, Hessequa's own Internal Policy's or SOP's, the Municipal Finance Management Act and or any other applicable legislation as required by Local, Provincial or National Government.		
5.	DELIVERY / COMPLETION	COMPLY YES/NO
5.1.	Completion as required per assignment.	
6.	EVALUATION	COMPLY YES/NO
6.1.	This submissions will be evaluated and adjudicated by a duly constituted evaluation and adjudication committee;	
6.2.	Hessequa Municipality does not bind itself to accept the highest or any tender and reserves the right to accept any or none of the tenders submitted, as it may deem expedient;	
6.3.	Functionality points shall be awarded at the sole discretion of the municipality and the decision of the municipality will be final;	
6.4.	Must submit proof of services provided to institutions with contactable references and track records; The primary should be projects done for municipalities/local government (minimum three references (projects) of the five references)	
6.5.	Envisaged that Service to be implemented for a period of three years.	
6.6.	It is envisaged that the tender period will start on the contract signed date for a three-year period. Tenderers who are unable to comply with this stipulation should refrain from tendering.	
6.7.	Tenders will be evaluated on a comparative basis, which is the reason for the design of the tender specification and additional schedules (if applicable);	
6.8.	All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying supply chain management regulations), the Preferential Procurement Policy Regulations, 2022 (read with its accompanying regulations) as well as the Hessequa SCM Policy Incorporating Preferential Procurement. This is applicable during the RFQ phase.	
6.9.	Points will be awarded to tenderers who are eligible for preferences in terms of MBD 6.1: Preference Point Claim Schedule (where preferences are granted in respect of B-BBEE contribution and Locality). This is applicable during the RFQ phase.	
6.10.	The terms and conditions shall apply in all respects to the tender evaluation process and any subsequent contract.	
6.11.	An agreement must be established between the successful bidder on who the Project Team will be that will be responsible for executing the works;	
6.12.	Should the team change, then Hessequa Municipality must be notified.	