Physical Address: No. 01 Seller Street I Nqanqarhu I 5480
Postal Address: P.O. Box 1 I Nqanqarhu I 5480
Tel: Nqanqarhu:045 932 8100 I **Ugie:** 045 933 8000 I **Tlokoeng**:039 257 2200
Social Media I Facebook: @Elundini Local Municipality I **X**: @ ElundiniLM
YouTube Channel: @Elundini Local Municipality I **Instagram:** @elundini_lm

TENDER NOTICE AND INVITATION TO TENDER

The Elundini Local Municipality is Requesting for Proposals on the following goods and services:

Bid ref.	PROJECT NAME	Contract Number	Closing Dates	Technical Enquires contacts
1.	Co-sourcing of the Internal Audit Function	ELM-1/001/2026-2027	Tuesday, 20 October 2026	Ms. S. Magayana Tel. 045 932 8167 E-mail: siphosabom@elundini.gov.za
2.	Supply, Installation and Programming of meters for streetlights in Tlokoeng and Nqanqarhu **CIDB: Grade 2EP or higher**	ELM-3/009/2026-2027	Tuesday, 13 October 2026	Ms. T. Mgijima Tel. 045 932 8218 E-mail: thandiswam@elundini.gov.za

The clauses relate to the above bid reference numbers in sequence.

1. A panel of two (2) qualified and experienced professional internal audit service providers to supplement the Municipality's Internal Audit unit through a co-sourcing of the internal audit function without any guarantee on the quantum of work for the period of three (3) years.
2. The Elundini Local Municipality intends to appoint a suitably qualified and experienced service provider for the once-off supply, installation, programming, testing and commissioning of thirty (30) meters for streetlight electrical supply points within Tlokoeng and Nqanqarhu for a period of three (3) months.

Bid ref. no. 1 Contract will be based on the National Treasury General Condition of Contracts. Bid ref. no. 2 Contract will be based on NEC3 Engineering and Construction Short Contract. The bids will be evaluated on the basis of the Preferential Procurement Policy Framework Act, 2022, the Elundini Local Municipality's Supply Chain Management Policy and the 80/ 20 preferential procurement point system for acquisition of goods or services with Rand value equal to or below R50 million will be applied.

Stage 1 of Evaluation: Eligibility Criteria for bid no. ELM-1/001/2026-2027 and ELM-3/009/2026-2027

Eligibility Criteria
Eligibility Criteria for the above mentioned projects will be available on Tender Data that will be uploaded on ELM Website. www.elundini.gov.za and will be also attached in the tender document

Bidders with non-compliant with the above Eligibility Criteria will be disqualified and not be considered for further evaluation.

Stage 2 of Evaluation: Functionality ELM-3/009/2026-2027

Evaluation Criteria	Maximum Points Allocated
Company Experience	30
Expertise	50
Approach paper	20
Total Points	**100**

A minimum score of 70% out of total points must be score in order to proceed to the Financial Evaluation in all of the above bids.

Stage Three of Evaluation: Evaluation in terms of the 80/20 preference points systems prescribed in Preferential Procurement Regulations of 2022 on all bids: Price = 80 points Specific goals = 20 points

Specific Goals:

Bid No.	**ELM-1/001/ 2026-2027**	**ELM-3/009/ 2026-2027**	
The specific goals allocated points in terms of this tender	**Number of points claimed (80/20 system) (To be completed by the organ of state)**	**Number of points claimed (80/20 system) (To be completed by the organ of state)**	**Proof to claim points**
Tender Price	**80**	**80**	
EME or QSE which is at least 51% owned by black people who are Women-Equity ownership	= 10 Points	= 5 Points	Company Registration Document and Certified ID Copy
EME or QSE which is at least 51% owned by black people who are Youth - Enterprise (18-35)	= 5 Points	= 5 Points	Company Registration Document and Certified ID Copy
EME or QSE which is at least 51% black owned by Local Business within: Elundini Local Municipality Outside Elundini Local Municipality within Joe Gqabi District Outside region	N/A	= 10 Points = 5 Points = 3 Points	Proof of business residence operation within Elundini Municipality Jurisdiction or outside Elundini Local Municipality within JOE Gqabi District or outside region along with CSD report
EME or QSE which is at least 51% owned by black people	= 5 Points	N/A	Company Registration Document and Certified BBBEE Certificate or Original Sworn Affidavit
Total (Specific Goals)	**20 Points**		

Bidder that fail to submit proof of specific goal as stipulated above will not be allocated points.

PURCHASING AND SUBMISSION OF TENDER DOCUMENTS.

Tender documents may be obtained from the Elundini Local Municipality SCM Unit upon payment of a non-refundable amount of R250 (two hundred and fifty Rand), either paid in cash or by means of electronic funds transfer (EFT) to the Elundini Local Municipality (Where EFT is used, proof of payment must be sent to khanyisoj@elundini.gov.za and yolandan@elundini.gov.za The cash amount is to be paid at the cashier's office between the hours of 08:00 and 16:00, prior to the collection of the tender documents form the SCM unit. ELM Cahier's office is situated at Elundini Traffic department, ERF 3503 Station Street, Nqanqarhu, 5480.

The tender documents will be available on **Friday, 18 September 2026.** NB: For EFT payment bidders must pay using this account: First National Bank (FNB) cheque account No: 62159933772, Ref No. 020114350000. Bid document may be emailed to the bidder upon receiving and confirming proof of payment. Bidders must allow at least 24 hours after sending POP for the municipality to be able to confirm payment.

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with Project Name and Bid Number. At the back of the envelope bidders must write the bidder's name and address. Bid submission must be delivered to the Elundini Local Municipality, at No. 1 Seller Street, Nqanqarhu, Finance Department. The tender documents must be placed in the Tender Box not later than 12H00 Noon on the above mentioned dates and will be opened in public.

Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup. Enquiries relating to SCM may be addressed to Mr K. Sobekwa, Tel NO. 045 932 8265 or email: kwaneles@elundini.gov.za. Telegraphic, telephone, telex, facsimile, e-mail and late tenders will not be accepted. Tenders may only be submitted on the prescribed tender documentation that is sold at R250.00 and proof of payment must be attached on the bid submission. Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data and tender documents.

The minimum terms of reference, scope of work, detailed eligibility criteria, functionality, other bid conditions and rules will be uploaded on ELM website www.elundini.gov.za and detailed in the bid document under Tender Data. The Elundini Local Municipality SCM policy applies. Tender validity period is 12 weeks.Tenders must request clarification on the tender documents, if necessary, by notifying the employer at least 5 (five) working days before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.

Value Statement: "The Elundini Municipality subscribes to high morals and principles to promote and maintain integrity of the Municipality" There are scammers phoning bidders impersonating municipal staff soliciting bribes for tender. Please do not fall for that scam. Report any fraud or corruption to Free call: 0800 117844 or SMS to 32840 anonymously.

JACK MDENI
MUNICIPAL MANAGER

BID CONDITIONS AND INFORMATION	
Clause number	**Tender Data**
1	The employer is the Elundini Local Municipality
2	The tender documents issued by the employer comprise the documents listed on the contents page
3	**The employer's representative is:** Name: Siphosabo Magayana Elundini Local Municipality 1 Seller Street, Nqanqarhu, 5480. Tel No.: 045 932 8167 Fax No.: 045 932 1094 E-mail: siphosabom@elundini.gov.za
4.	The language for communications is English
5	Elundini Local Municipality bidding process in the context of this bid is administered by ELM Supply Chain Management Policy , MFMA Act 56 of 2003 , MFMA SCM Regulations , POPI Act and shall act in accordance with the said legislative prescripts including other relevant legislative framework governing SCM. The General Conditions of Contract as well as any Special Conditions of Contract that may form part of this set of bid documents will be applicable to this bid in addition to the conditions of bid.
6	The successful bidder will be expected to sign the service Level agreement within 30 days from the date of notification by the Elundini Municipality that his/her bid has been accepted.
7	**Tenderer's Obligations**
7.1	1. JV Eligibility requirements: • A Joint venture must submit a consolidated valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE.(This will not disqualify bidders but points for B-BBEE will not be allocated) • Submit Joint Venture agreement in the case of joint venture. • Fully completed Compulsory Returnable Documents for JV 2. Directors or company is not in the Treasury's database of restricted suppliers

7.2	• Tenderer must submit one (1) hard copy of the original tender document in the prescribed format at tender submission deadline failure to do so, the tenderer will be disqualified. Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup. • Tender document must be in the original format, not tempered with and must be only purchased at the Elundini Local Municipality • Bidders must submit their offer on the prescribed tender document as purchased at R250. • Proof of payment for tender document must be attached • Should bidder fail to submit as per prescribed bid document, bidder will be disqualified. • All bids must be submitted on the official forms (not to be re-typed/ reproduced) Bids must be completed in black ink
7.3	No bids will be considered from persons in the service of the state
8	The tenderer accepts that, unless otherwise stated in the tender data, the employer does not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer comply with requirements.
9	It is the responsibility of the tenderer to check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.
10	The tenderer must record and reference all information submitted contained in other documents for example cover letters, brochures, catalogues, etc. in the returnable schedule titled **"List of Other Documents Attached by Tenderer".**
11	Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.
12	The tenderer shall obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are incorporated into the tender documents by reference.
13	Acknowledge receipt of addenda to the tender documents, which the employer may issue, and, if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.
14	Please note that if the tender stipulates that a site/clarification meeting is mandatory/compulsory; then suppliers must attend such meeting. Those suppliers who do not attend such mandatory/compulsory meeting will be disqualified and will not be evaluated. Where compulsory briefing is applicable, tenderers will be obligated to sign the attendance list in the name of the tendering entity. In that case, any Addenda issued to tenders will be received only from those tendering entities appearing on the attendance list.
15	Tenderers must request clarification on the tender documents, if necessary, by notifying the employer at least ***5 (Five) working days*** **before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.** Bidders shall not contact the Elundini Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded for additional information or amendments of bids. Any effort by the firm to influence the Elundini Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.
16	Tenderers are required to state the rates and currencies in Rands. Include in the rates, prices, and the tendered total of the prices (if any), all duties, taxes which the law requires to be paid [except value added tax (VAT)], and other levies payable by the successful tenderer, that are applicable 14 days before the closing time stated in the tender data. Show the VAT payable by the employer separately as an addition to the tendered total of the prices. Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data. State the rates and prices in monetary value of the contract unless otherwise instructed in the tender data

17	If after the commencement of the Contract, the cost or duration of the services is altered as a result of changes in, the amount of the main contractor or contract amount from which estimate were based, or amounts or additions to, any statute, regulation or by-laws, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 90 days of first having become aware of the change, the Contractor furnished the Employer with detailed justification to the Price or Period of the Performance (or both).
18	**Alterations to the documents** Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer or to correct errors made by the tenderer and ensure that all signatories to the tender offer initial all such alterations. Do not make erasures using masking fluid. No unauthorised alteration of this set of bid documents will be allowed after the closing date. Any unauthorised alteration will disqualify the proposal automatically. Any ambiguity has to be cleared with contact person for the bid before the closure date.
19	**Signatory** A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same. A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder
20	No alternative tender offers will be considered
21	Parts of each tender offer communicated on paper shall be submitted as an original. No copies are required
22	Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions
23	**Tax Clearance Certificate** Bidder must submit a valid SARS Tax Clearance Certificate or/and a tax compliance status document reflecting the pin for the Employer to verify that the tenderer is in good standing. Certified copy of a tax clearance certificate is still required by Foreign suppliers (with a footprint in South Africa- but who are not on CSD and have not provided a SARS pin number) and Local suppliers (who have not provided their SARS e-filing PIN number for verification by Elundini Local Municipality and/or their CSD profile / CSD number) . Foreign suppliers (even those with no deemed footprint in South Africa) must still complete the relevant section in Part A of the MBD1 document, however, no proof of tax compliance is required if the supplier answers "no" to all questions. If they answer "yes" to any of the questions, however, they are required to register and be tax compliant as per Part B- section 2 of the MBD 1 document and relevant legislation governing tax compliance. Upon submission of a bid/quote/proposal the bidder automatically grants confirmation that SARS may, on an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality. Each party to a Consortium/Joint Venture shall submit a separate valid Tax Clearance Certificate and must be compliant with SARS Prices must always be VAT inclusive where applicable.
24	**Registration on Accredited Supplier Database** It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register online (www.csd.gov.za) and verify their company information Elundini Municipality Database Department. The Elundini Municipality reserves the right not to award proposals to prospective suppliers who are not registered on the CSD (Central Supplier Database).
25	**BBBEE Certificate** For the proof of B-BBEE status level of contributor the bidder must submit an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (www.sanas.co.za/afdirectory/bbbee_list.php) or original or certified completed AFFIDAVIT downloaded from www.thedti.gov.za/economic_empowerment/bee_codes.jsp

26	**Municipal Rates, Taxes and Charges** The bidder to provide their municipal account of rates and taxes of both the Bidding entity and its directors' in its Bid Document submission. Any bidder which is or whose directors are in arrear with their municipal rates and taxes due to any Municipality within South Africa for more than three months and have not made an arrangement for settlement of or same before the bid closure date will be disqualified. If the bidder is renting the office a Lease Agreement must be attached to the bid document OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward Councilor is submitted with the tender document.
27	Tenderer must put initials at the bottom of each page of the tender document as proof that the bidder has reviewed and agreed to the contents of the tender data. This also prevents and ensures that various parties involved do not change and / or replace any page and modify the contents after the submission of the tender. Tenderer must sign the original and all copies of the tender offer where required in terms of the tender data. NOTE: The employer holds all authorized signatories liable on behalf of the tenderer.
28	The employer's details and address for delivery of tender offers and identification details that are to be shown on each tender offer package are: **Location of tender box:** Elundini Local Municipality Finance Department **Physical address:** 1 Seller Street Nqanqarhu 5480 **Identification details :** Tender no, Title of Tender and the closing date and time for tenders **Closing Date :** **Tuesday, 20 October 2026** **Closing Time :** **12H00** **The tender box is only open on weekdays between 08:00 and 16:00**
29	Where a **two-envelope system** is required in terms of the tender conditions, place and seal the returnable documents listed in the tender conditions in an envelope marked **"financial proposal"** and place the remaining returnable documents in separate envelope marked **"technical proposal".** Each envelope shall state on the outside the Elundini Municipality's address and identification details of the bid, as well as the tenderer's name and contact address. Accept that the Elundini Municipality shall not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated. Where stated in the tender conditions that a two-envelope system is to be followed, open only the technical proposal of tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender conditions and announce the name of each tenderer whose technical proposal is opened. Employer shall evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who have submitted responsive technical proposals of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who have submitted responsive technical proposals in accordance with the requirements as stated in the tender conditions, and announce the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals were non-responsive. **NB:** This condition is not applicable to this bid
30	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.
31	The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender.
32	The tender offer validity period is **12 weeks**. The validity of bids may be further extended by a period of not more than six months upon approval by the Accounting Officer.
33	The tenderer shall provide clarification of a tender offer during the evaluation of tender offers, in response to a request from the employer to do so. Such clarifications can include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted. Note: This clause does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Elundini Municipality elect to do so. Failure, or refusal, to provide such clarification or additional information within the time for submission stated in the Elundini Municipality's written request may render the tender non-responsive.

34	The employer shall grant during working hours to premises for inspections, tests and analysis, as provided for in the tender data.
35	A tenderer may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the Elundini Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the tenderer in such written request for withdrawal. Should the tender offer be withdrawn in contravention hereof, the tenderer agrees that: • it shall be liable to the Elundini Municipality for any additional expense incurred or losses suffered by the Elundini Municipality in having either to accept another tender or, if new tenders have to be invited, the additional expenses incurred or losses suffered by the invitation of new tenders and the subsequent acceptance of any other tender; • the Elundini Municipality shall also have the right to recover such additional expenses or losses by set-off against monies which may be due or become due to the tenderer under this or any other tender or contract or against any guarantee or deposit that may have been furnished by the tenderer or on its behalf for the due fulfilment of this or any other tender or contract. Pending the ascertainment of the amount of such additional expenses or losses, the Elundini Municipality shall be entitled to retain such monies, guarantee or deposit security for any such expenses or loss.
36	**Samples, Inspections, tests and analysis** Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender conditions or specifications. If the Specification requires the tenderer to provide samples, these shall be provided strictly in accordance with the instructions set out in the Specification. If such samples are not submitted as required in the bid documents or within any further time stipulated by the Elundini Municipality in writing, then the bid concerned may be declared non-responsive. The samples provided by all successful bidders will be retained by the Elundini Municipality for the duration of any subsequent contract. Bidders are to note that samples are requested for testing purposes therefore samples submitted to the Elundini Municipality may not in all instances be returned in the same state of supply and in other instances may not be returned at all. Unsuccessful bidders will be advised by the Project Manager or dedicated ELM Official to collect their samples, save in the aforementioned instances where the samples would not be returned.
37	**Compliance with Occupational Health and Safety Act, 85 of 1993** Tenderers are to note the requirements of the Occupational Health and Safety Act, 85 of 1993. The Tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith. In this regard the Tenderer shall submit upon written request to do so by the Elundini Municipality, a Health and Safety Plan in sufficient detail to demonstrate the necessary competencies and resources to deliver the goods or services all in accordance with the Act, Regulations and Health and Safety Specification.
38	**Claims arising from submission of tender** **The tenderer warrants that it has:** • inspected the Specifications and read and fully understood the Conditions of Contract. • read and fully understood the whole text of the Specifications and Price Schedule and thoroughly • acquainted himself with the nature of the goods or services proposed and generally of all matters which may influence the Contract. • visited the site(s) where delivery of the proposed goods will take place, carefully examined existing conditions, the means of access to the site(s), the conditions under which the delivery is to be made, • and acquainted himself with any limitations or restrictions that may be imposed by the Municipal or other Authorities in regard to access and transport of materials, plant and equipment to and from the site(s) and made the necessary provisions for any additional costs involved thereby. • requested the Elundini Municipality to clarify the actual requirements of anything in the Specifications and Price Schedule, the exact meaning or interpretation of which is not clearly intelligible to the Tenderer • Escalations and escalations rates are clearly disclosed. • received any notices to the tender documents which have been issued in accordance with the Elundini Municipality's Supply Chain Management Policy. **The Elundini Municipality will therefore not be liable for the payment of any extra costs or claims arising from the submission of the tender.**

39	**Employer's Undertaking**
40.1	The employer will respond to requests for clarification received up to Five (5) working days before the tender closing time.
40.2	The employer shall issue addenda until before tender closing time If necessary, the employer shall issue addenda in writing that may amend or amplify the tender documents to each tenderer during the period from the date the tender documents are available until Five (5) working days before the tender closing time stated in the Tender Data. The Employer reserves its rights to issue addenda less than Five (5) working days before the tender closing time in exceptional circumstances If, as a result a tenderer applies for an extension to the closing time stated on the front page of the tender document, the Elundini Municipality may grant such extension and, shall then notify all tenderers who drew documents. Notwithstanding any requests for confirmation of receipt of notices issued, the tenderer shall be deemed to have received such notices if the Elundini Municipality can show proof of transmission thereof via electronic mail, facsimile or registered post.
40.3	Tenders will be opened immediately after the closing time for tenders as stated in the Tender Notice and Invitation to Tender. If requested by any bidder present, names of the bidders, and if practical the total amount of each bid and of any alternative bids will be read out loud. Bids received in time recorded and entered in a register which is open for public inspection.
40.4	Late bids will be registered and returned unopened unless the bidder did not clearly specify their address at the back of the envelope.
40.5	The employer or any of its employees must not disclose to tenderers, or to any person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer
40.6	Make available a record of the details announced at the tender opening meeting on the Elundini Municipality's website (www.elundini.gov.za)
40.7	Bids must be evaluated in terms of their responsiveness to the bid specifications, requirements as well as criteria as set out in the bid document. Any additional criterial as per communicated addendum shall be considered.
	The Elundini Municipality reserves the right to withdraw any invitation to submit a bid and/or to re-advertise or to reject any bid or to accept a part of it. The Elundini Municipality does not bind itself to accepting the lowest bid
40.8	Determine, after opening and before detailed evaluation, whether each tender offer that was properly received a) complies with the requirements of the standard conditions of tender in this part b) has been properly and fully completed and signed, and c) is responsive to the other requirements of the tender documents. **A responsive tender** is one that conforms to all the terms, conditions, and scope of work of the tender documents, without material deviation or qualification. A **material deviation or qualification** is one which, in the employer's opinion, would a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the scope of work, b) significantly change the employer's or the tenderer's risks and responsibilities under the contract, or c) affect the competitive position of other tenderers presenting responsive tenders if it were to be rectified. Reject a non-responsive tender offer, and do not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.
40.9	**Due Diligence** The municipality will conduct intense due diligence which must include inspection of the claimed experience of the preferred bidder(s). The municipality will provide due diligence form which will be used for the assessment purposes of the claimed project experience.

41	**Pricing** **Arithmetical errors, omissions and discrepancies** Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern. If pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as tendered shall govern, and the unit rate shall be corrected. Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if Price Schedules apply) to achieve the tendered total of the prices. Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of the arithmetical error in the manner described above. **Other** For Vat related discrepancies, National and Provincial Treasury prescripts in relation to VAT procedures apply. Unconditional discounts must be taken into account for evaluation purposes The Employer must evaluate whether tender has offered a market related offer. If the offer is believed not to be market related, the Municipality through its Supply Chain Management bid committees will attempt to negotiate the offer with identified bidder/s to a reasonable amount. Bidders are not allowed to increase their tender offers during this process In the event of tendered rates or lump sums being declared by the Elundini Municipality to be unacceptable to it because they are not priced, either excessively low or high, or not in proper balance with other rates or lump sums, the tenderer may be required to produce evidence and advance arguments in support of the tendered rates or lump sums objected to. If, after submission of such evidence and any further evidence requested, the Elundini Municipality is still not satisfied with the tendered rates or lump sums objected to, it may request the tenderer to amend these rates and lump sums along the lines indicated by it. The tenderer will then have the option to alter and/or amend the rates and lump sums objected to and such other related amounts as are agreed on by the Elundini Municipality, but this shall be done without altering the tender offer in accordance with this clause. Should the tenderer fail to amend his tender in a manner acceptable to and within the time stated by the Elundini Municipality, the Elundini Municipality may declare the tender as non-responsive. Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions. All prices must include VAT where applicable The Elundini Municipality may, after the closing date, request additional information or clarification from tenderers, in writing on any matter affecting the evaluation of the tender offer or that could give rise to ambiguity in a contract arising from the tender offer, which written request and related response shall not change or affect their competitive position or the substance of their offer. Such request may only be made in writing by the delegated official using any means as appropriate and such communication must be approved by the Accounting Officer.

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EVALUATION OF TENDER OFFERS

STAGE 1: TEST FOR RESPONSIVENESS

a) PHASE 1 OF STAGE ONE: MANDATORY DOCUMENTS AND REQUIREMENTS

Bidders' proposals must meet the following minimum requirements and supporting documents must be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. Failure to comply with the following conditions shall lead to bidder being non-responsive.

1. Bid Document (This Document) must be purchased at a prescribed amount only at Elundini Local Municipality and must submitted in its original format and not retyped.
2. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. Bidders must submit a copy of the Central Supplier Database report showing, amongst other things, that tax matters of the service provider are in order with the South African Revenue Services OR CSD Supplier number in order for the municipality to be able to verify CSD registration.
4. Form of offer and Acceptance (fully completed and signed) where applicable
5. Invitation to bid must be completed and signed. MBD 1
6. Pricing schedule – Professional Services (Purchase)MBD 3.3
7. Declaration of Interest (fully completed and signed) MBD 4
8. Preference Points Claim form in terms of the Preferential Procurement Regulations 2022 (fully completed and signed) MBD 6.1
9. Contract Form – Rendering of Services (part 1 (Completed and signed) MBD 7.2
10. Declaration of Bidder's past Supply Chain Management Practices. (Completed and signed) MBD 8
11. Certificate of Independent Bid Determination. (Completed and signed) MBD 9
12. Authority of Signatory (Completed and signed)
13. Where applicable a proof of attendance of clarification meeting, an attendance register will be circulated for record purposes.
14. On financial Proposal: All Items listed in the Bills of Quantities or Pricing schedule must be priced for failure to do so will increase commercial risk of the bid and may lead to elimination or passing over of the bidder.
15. If the offer (any of the items quoted for) is "Vat Inclusive", the VAT registration number of service provider must be indicated. Bidders are not entitled to claim the VAT if they are not VAT registered.

BIDDERS WHO ARE NON-COMPLIANT WITH THE FOLLOWING ELIGIBILITY CRITERIA WILL BE DISQUALIFIED AND NOT BE CONSIDERED FOR FURTHER EVALUATION:

No	CRITERIA	PORTFOLOIO OF EVIDENCE
	Company Experience	
1	Company experience in providing professional Internal Audit Services within the Public Sector, specifically Local Government. The bidder must have successfully completed similar assignments for at least three (3) municipalities within the last five (5) years.	Submit a minimum of three (3) reference letters and appointment letters of the same project from current and/or previous municipal clients where similar Internal Audit Services were successfully rendered. The reference letters and appoinmtnet letters of the same project should collectively demonstrate experience in one or more of the following areas: • Governance, Risk Management and Internal Control Reviews; • Review of GRAP-compliant Annual Financial

		Statements and Financial Reporting Controls; • ICT Audits and Advisory Services; • Performance Information Audits; • Compliance Audits; • Supply Chain Management and Contract Management Audits; • Fraud Risk Assessments and/or Fraud Investigations; • Infrastructure or Capital Project Audits; • Combined Assurance Reviews; • Enterprise Risk Management Reviews. Each reference letter and appointment letter of the same project shall: • Be on the official letterhead of the client organisation; •Be signed by the Municipal Manager or Chief Audit Executive; • Include the contract period and a brief description of the services rendered; • Confirm that the services were completed satisfactorily; and • Provide the name and contact details of a contact person for verification.
	Team Experience	
2.	Provide a list of the proposed project team, indicating each member's role and responsibility.	• Project organogram (to include names next to the positions). To attach a signed letter of undertaking (in the company letterhead) of the appointed person.
3.	**Competency Requirements of the Team Leader/Project Manager** Team Leader/Project Manager must hold a relevant Bachelor's Degree or NQF 7 and CIA or equivalent professional qualification with a minimum of five (5) years' Internal Audit experience, including public sector/local government experience.	• CVs indicating a minimum of 5 years' work experience specifying the Internal Audit Assignments conducted. Certified copies of ID, tertiary qualifications, proof of professional registration/membership and contactable references.
4.	**Competency Requirements of the Team Members** The proposed team shall collectively possess competencies in Internal Auditing, Financial Auditing (GRAP), ICT Auditing, Risk Management, Fraud Investigations and Performance Auditing.	• CVs indicating a minimum of years of work experience required specifying the Internal Audit Assignments conducted. • Certified ID, tertiary qualifications and proof of current professional memberships/registrations (CIA, CA(SA), CISA, CFE, CRMA or equivalent, where applicable) and contactable references.

Members	**Competency requirements**
Audit	Bachelor's Degree or NQF

<table>
<tr><td></td><td><table>
<tr><td>Manager/Supervisor</td><td>7 and CIA with a minimum of four (4) years' work experience.</td></tr>
<tr><td>Senior Auditors /Accountants</td><td>Diploma/B Tech in Internal Auditing, B. Comm in Accounting, BSC, minimum of three (3) years' work experience as an Internal Auditor.</td></tr>
<tr><td>Internal Auditors</td><td>Diploma/B Tech in Internal Auditing, B. Comm in Accounting, BSC, minimum of two (2) years' work experience as an Internal Auditor.</td></tr>
</table>
All proposed audit team members must possess relevant qualifications and, where applicable, be registered members in good standing with a recognised professional body relevant to their area of expertise, such as the:
• Institute of Internal Auditors (IIA), South African
• Institute of Chartered Accountants (SAICA),
• Information Systems Audit and Control Association (ISACA),
• Association of Certified Fraud Examiners (ACFE), or
• another recognised professional body."</td><td></td></tr>
<tr><td colspan="3">Skills Transfer Methodology</td></tr>
<tr><td>5.</td><td>The bidder shall submit a structured Skills Transfer Plan aimed at strengthening the capacity of the Municipality's Internal Audit Activity through mentoring, coaching and knowledge transfer.</td><td>Submit a detailed Skills Transfer Plan indicating:
• Objectives and methodology;
• Mentoring and coaching approach;
• Joint planning and execution of audits;
• Technical workshops and legislative updates;
• Specialist knowledge transfer;
• Training schedule and expected outcomes;
• Quarterly reporting on implementation.

Provide at least one reference letter or testimonial demonstrating successful implementation of a skills transfer programme for a previous client.</td></tr>
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</table>

	Due Diligence The municipality will conduct an intense due diligence which will include inspection of the tenderers' premises and workshop. **b) THE RETURNABLE DOCUMENTS** The following returnable documents to be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. 1. Bidders must be a registered legal entity or partnership or consortia or joint ventures with a signed agreement in place with a consolidated BBBEE Certificate. 2. Bidders must submit Elundini Municipality Ethics Commitment form for Suppliers (Completed and signed) 3. A valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE. (This is not an Elimination factor). 4. A Resolution of signatory form has been completed and signed by director/s or a letter bearing a letterhead of the tenderer has been attached (specific to this bid) to the bid submission; it must be duly signed by all directors and submitted the bid. Only a duly authorized official can sign the bid. 5. Bidders must complete and sign Elundini Municipality Supplier Declaration Form 6. Bidders must complete past experience form .
43	**STAGE 2 OF EVALUATION: PRICE AND PREFERENCE IN TERMS OF PPR 2022 .**

APPLICABLE PREFERENCE POINT SYSTEMS 80/20

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

SPECIFIC GOALS

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	**Proof to claim Points**	**Number of points claimed (80/20 system) (To be completed by the tenderer)**
Tender Price	**80**		
EME or QSE which is at least 51% owned by black people who are Women-Equity ownership	= 10 Points	Company Registration Document and Certified ID Copy	
EME or QSE which is at least 51% owned by black people who are Youth - Enterprise (18-35)	= 5 Points	Company Registration Document and Certified ID Copy	
EME or QSE which is at least 51% owned by black people	= 5 Points	Company Registration Document and Certified BBBEE Certificate or Original Sworn Affidavit	
Specific Goals Total	**20**		

Bidder that fail to submit proof of specific goal as stipulated above will not be allocated points.

44	a) The Municipality reserves the right not to award the bid to the most favourable tenderer, if any of the situations occur if:- • the bidder has been awarded a considerable number of projects by the Municipality. • as performed unsatisfactorily in the past. • Does not meet objective criteria b) Reject a bid where a tenderers submit more than one tender either individually or as a partner in a joint venture (JV) or consortium. c) Reject a bid where thee tender submitted by a JV or consortium where the JV/consortium agreement does not explicitly state that the parties of the JV or consortium shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. • Where a bidder or its directors has previously failed to perform in the previous order where notices of poor performance were issued or application for restriction has been lodged with National Treasury in terms of SCM Regulation 38.
45	**DUE DILIGENCE** The municipality will conduct intense due diligence which must include inspection of the claimed experience of the preferred bidder(s). The municipality will provide due diligence form which will be used for the assessment purposes of the claimed project experience.
46	**Risk Analysis** Notwithstanding compliance with regard to any requirements of the tender, the Elundini Municipality will perform a risk analysis in respect of the following: a) reasonableness of the financial offer b) reasonableness of unit rates and prices c) the tenderer's ability to fulfil its obligations in terms of the tender document, that is, that the tenderer can demonstrate that he/she possesses the necessary professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, capacity, experience, reputation, personnel to perform the contract, etc.; the Elundini Municipality reserves the right to consider a tenderer's existing contracts with the Elundini Municipality in this regard. d) any other matter relating to the submitted bid, the tendering entity, matters of compliance, verification of submitted information and documents, etc. e) there is any history/record of the tenderer/s (or any of its directors/members/shareholders) failing to meet their contractual obligation with any Organ Of the State and where there are notices of poor performance issued thereof. [Note: Companies/persons who are listed on the Database were informed in writing of this restriction by the Authority/Accounting Officer of the institution that imposed the restriction after the ***Audi alteram partem rule*** was applied]. f) tenderer/s(or any of its directors/members/shareholders) listed on National Treasury's Database of Restricted Suppliers as companies/persons prohibited from doing business with the public sector [Note: Companies/persons who are listed on the Database were informed in writing of this restriction by the Authority/Accounting Officer of the institution that imposed the restriction after the ***audi alteram partem*** rule was applied]. The Database of Restricted Suppliers can be accessed on the National Treasury's website (www.treasury.gov.za). g) tenderer/s (or any of its directors / members / shareholders)? listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combatting of Corrupt Activities Act (No 12 of 2004) h) tenderer/s (or any of its directors/members/shareholders) convicted by a court of law (including a court outside South Africa) for fraud and/or corruption with respect to the procurement/tendering processes/procedures during the past five years? i) the tenderer/s employees/directors are also employees/contractors/consultants or directors in the organ of state. The conclusions drawn from this risk analysis will be used by the Elundini Municipality in determining the acceptability of the tender offer. No tenderer will be recommended for an award unless the tenderer has demonstrated to the satisfaction of the Elundini Municipality that he/she has the resources and skills required.
47	The number of paper copies of the signed contract to be provided by the employer is one.
48	**Incorrect Information** Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Elundini Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract

49	If after the commencement of the Contract, there is any amendment in the key personnel from which bid evaluation was based, within 90 days of first having become aware of the change, the Contractor must furnish the Employer with detailed justification to change of key personnel, which might be accepted or not accepted by the employer depending on its discretion and the level of skill of personnel used for the replacement.
50	**Acceptance or Rejection of a Bids** The Elundini Municipality reserves the right to withdraw any invitation to submit a bid and/or to re-advertise or to reject any bid or to accept a part of it. The Elundini Municipality does not bind itself to accepting the lowest bid.

TERMS OF REFERENCE: Co-sourcing of the Internal Audit Function

Project Description

The Elundini Local Municipality hereby invites a panel of two (2) suitable qualified and experienced professional internal audit service providers to supplement the Municipality's Internal Audit unit through a co-sourcing of the internal audit function without any guarantee on the quantum of work for the period of three (3) years.

The purpose of the appointment is to supplement the Municipality's Internal Audit Unit through a co-sourcing arrangement by providing independent assurance and consulting services, specialist internal audit expertise, and structured skills transfer to municipal internal audit personnel.

Project Background

Section 165 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) requires every municipality to establish an Internal Audit Unit to provide independent, objective assurance and advisory services and to advise the Accounting Officer and the Council on matters relating to governance, risk management, internal controls, compliance, performance management and other areas identified by management.

Elundini Local Municipality has established an Internal Audit Unit and operates a co-sourced Internal Audit model to supplement its internal capacity with specialist professional expertise. This approach supports the effective implementation of the approved Risk-Based Internal Audit Plan, enhances the Municipality's governance, risk management and internal control processes, and ensures compliance with the Municipal Finance Management Act, the Global Internal Audit Standards, and other applicable legislative and regulatory requirements.

The Municipality requires the services of suitably qualified and experienced Internal Audit service providers to undertake assurance and advisory engagements, specialist audits, investigations, and other assignments identified in the approved Three-year Rolling Internal Audit Plan for the 2026 – 28 financial years and the Annual Internal Audit Plan for the 2026 – 27 financial year or requested by Management.

Accordingly, Elundini Local Municipality intends to appoint a panel of professional Internal Audit service providers under a framework agreement for a period of three (3) years to provide co-sourced Internal Audit services on an as-and-when-required basis.

1. PURPOSE OF THE APPOINTMENT

The purpose of this appointment is to establish a panel of professional Internal Audit service providers to supplement the Municipality's Internal Audit Activity through the provision of independent assurance, advisory and specialist Internal Audit services.

The appointment seeks to ensure that the Municipality has access to competent professional resources to support the implementation of the approved Risk-Based Internal Audit Plan and any additional assurance or advisory services required during the contract period.

2. OBJECTIVES

The objective of this bid is to appoint suitable independent Internal Audit Service Providers with competent and skilled personnel that can execute and maintain appropriate Internal Audit Services to the Elundini Local Municipality and will help to:

- supplement the capacity of the Internal Audit Activity;
- provide specialist Internal Audit expertise not available internally;
- support the effective implementation of the approved Three-Year Rolling Risk-Based Internal Audit Plan and Annual Internal Audit Plans;
- provide independent assurance over governance, risk management, internal controls and compliance processes;
- support the Municipality in strengthening governance, accountability and organisational performance;
- provide independent advisory services that improve business processes and internal controls without assuming management responsibility;
- support the Audit and Risk Committee in discharging its oversight responsibilities through technical advice and reporting;
- undertake specialist audit engagements, investigations and consulting services where required;

- facilitate structured skills transfer, mentoring and capacity building of Internal Audit personnel; and
- contribute to the continuous improvement of the Municipality's Internal Audit Activity in accordance with the Global Internal Audit Standards.

3. APPOINTMENT METHODOLOGY

3.1. Nature of the Appointment

The Municipality intends to appoint a panel of two (2) suitably qualified Internal Audit service providers under a Framework Agreement for a period of thirty-six (36) months.

The appointment shall not create an exclusive arrangement between the Municipality and any appointed service provider.

The Municipality reserves the right to appoint fewer than two service providers should the number of responsive bids or the quality of submissions not justify multiple appointments.

3.2. Framework Agreement

- The Framework Agreement establishes the general terms and conditions governing the relationship between the Municipality and each appointed service provider for the duration of the contract.
- Upon appointment to the panel, each successful service provider shall enter into a single Service Level Agreement (SLA) with the Municipality. The SLA shall regulate the general rights, obligations, responsibilities and conditions applicable to the provision of internal audit services throughout the contract period.
- Individual audit assignments shall be undertaken on an as-and-when-required basis. For each assignment, the Municipality shall invite quotations from the appointed panel of service providers in accordance with the Municipality's Supply Chain Management Policy, the Preferential Procurement Regulations, and any other applicable legislation.
- The accepted quotation, together with the approved Terms of Reference, the official purchase order and the overarching Service Level Agreement, shall constitute the contractual documentation governing each assignment.

3.3. Allocation of Assignments

Work shall be allocated by the Chief Audit Executive, taking into consideration -

- the approved Risk-Based Internal Audit Plan;
- the specialist knowledge and experience required for the assignment;
- independence and objectivity requirements;
- availability of suitably qualified personnel;
- previous performance on municipal assignments;
- capacity to complete the assignment within agreed timelines;
- value for money;
- avoidance of conflicts of interest; and
- equitable distribution of assignments among appointed service providers, where practical and in the Municipality's best interests.

The Municipality reserves the right to allocate assignments to the service provider best suited to the specific requirements of the engagement and is not obliged to allocate work on a rotational basis.

SCOPE OF WORK

4. SCOPE OF SERVICES

4.1. General

The successful service provider shall provide independent, objective assurance and advisory services in accordance with:

- Section 165 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- the Global Internal Audit Standards;
- the Municipality's Internal Audit Charter;
- the approved Three-Year Rolling Risk-Based Internal Audit Plan;
- the approved Annual Internal Audit Plan;
- applicable legislation;
- National Treasury prescripts; and
- any assignment-specific Terms of Reference approved by the Chief Audit Executive (CAE).

The successful service provider shall execute assignments independently and objectively while maintaining the highest standards of professional competence, integrity, due professional care and confidentiality.

The scope of services shall include assurance engagements, consulting engagements, investigations, technical advisory services, specialist reviews and any other assignment approved by the Accounting Officer or the Audit and Risk Committee.

4.2. CORE INTERNAL AUDIT SERVICES

The successful service provider shall provide independent, objective assurance and advisory services in accordance with the approved Three-Year Rolling Risk-Based Internal Audit Plan, Annual Internal Audit Plan, the Municipality's Internal Audit Charter, the Global Internal Audit Standards, and applicable legislation.

The scope of work shall include, but not be limited to, the following:

4.2.1. Assurance Engagements

- Conduct risk-based assurance engagements to evaluate the adequacy, effectiveness and efficiency of the Municipality's governance, risk management, internal control and compliance processes.
- This may include governance, financial, operational, compliance, performance information, information technology, infrastructure, supply chain management, contract management, asset management, revenue management and other audits identified through the risk assessment process.

4.2.2. Advisory and Consulting Services

Provide independent advisory and consulting services to improve governance, risk management, internal controls, business processes and organisational performance, provided such services do not compromise the independence and objectivity of the Internal Audit Activity.

4.2.3. Specialist Audits

Provide specialist audit services requiring technical expertise, including information and communication technology (ICT), cyber security, data analytics, forensic and fraud-related reviews, infrastructure, engineering, GRAP compliance, performance information and any other specialist audits identified by the Municipality.

4.2.4. Investigations

Undertake investigations relating to allegations of fraud, financial misconduct, irregular, fruitless and wasteful expenditure, unethical conduct, conflicts of interest and other matters referred by the Accounting Officer or approved by the Audit and Risk Committee, where applicable.

4.2.5. Follow-up Reviews

Conduct follow-up audits to assess the implementation and effectiveness of agreed management action plans and report on the status of corrective actions.

4.2.6. Ad Hoc Assignments

Undertake special reviews, investigations, advisory engagements and any other assignments requested by the Accounting Officer or included in the approved Internal Audit Plans, provided such assignments fall within the professional scope of internal auditing.

5. DELIVERABLES, REPORTING AND QUALITY REQUIREMENTS

5.1. Deliverables

The successful service provider shall provide all deliverables necessary for the effective planning, execution, reporting and monitoring of each assignment, including but not limited to:

- Assignment Planning Memorandum;
- Audit Programmes and Risk and Control Matrices, where applicable;
- Working Papers and supporting evidence;
- Draft and Final Internal Audit Reports;
- Executive Summaries;
- Management Action Plans;
- Follow-up Audit Reports; and
- Advisory and technical reports, where applicable.

All deliverables shall comply with the Global Internal Audit Standards and the Municipality's Internal Audit Methodology.

5.2. Reporting Requirements

The successful service provider shall report to the Chief Audit Executive (CAE) throughout each assignment and shall:

- Provide regular progress updates;
- Immediately report significant risks, control weaknesses or suspected irregularities;
- Submit draft and final reports within agreed timelines;
- Present reports to Management, the Audit and Risk Committee and other governance structures, where required; and
- Obtain approval from the CAE before issuing any audit reports.

5.3. Quality Assurance

- The service provider shall maintain a Quality Assurance and Improvement Programme (QAIP) to ensure that all assignments comply with the Global Internal Audit Standards.
- The Municipality reserves the right to review working papers, audit files and deliverables to assess compliance with professional standards and contractual requirements.

5.4. Personnel

- The service provider shall allocate suitably qualified personnel for each assignment.
- Replacement of key personnel shall only be permitted with the Municipality's prior written approval.
- Replacement personnel shall possess qualifications and experience equal to or better than those originally proposed.

5.5. Service Level Agreement

The service provider shall comply with the service levels agreed in the Service Level Agreement, including:

- Timely commencement and completion of assignments;
- Submission of planning documents and audit reports within agreed timelines;
- Attendance at meetings as required;
- Responsiveness to municipal requests; and
- Compliance with agreed quality standards.

Failure to meet agreed service levels may result in performance management measures being implemented.

5.6. Performance Management

The Municipality shall monitor the performance of the service provider throughout the contract period based on:

- Quality of work performed;
- Adherence to agreed timelines;
- Technical competence;
- Responsiveness and communication;
- Compliance with professional standards;
- Effectiveness of recommendations; and
- Implementation of the approved Skills Transfer Plan.

Where performance is unsatisfactory, the Municipality may require corrective action, suspend further work allocations, or terminate the appointment in accordance with the Framework Agreement.

5.7. Skills Transfer

The successful service provider shall implement a structured Skills Transfer Programme to strengthen the capacity of the Municipality's Internal Audit Activity.

The programme shall include:

- Mentoring and coaching of Internal Audit staff;
- Joint planning and execution of audit engagements;
- Technical workshops and legislative updates;
- Transfer of specialist knowledge; and

- Quarterly reporting on skills transfers activities undertaken.

5.8. Professional Standards, Independence and Confidentiality

The successful service provider shall:

- Perform all services in accordance with the Global Internal Audit Standards, applicable legislative and regulatory requirements, the Municipality's approved Internal Audit Charter, and any other professional guidance issued by the Institute of Internal Auditors that is applicable to the services being provided;
- Maintain independence, objectivity and professional competence throughout the contract period;
- Disclose any actual, potential or perceived conflicts of interest;
- Comply with the Protection of Personal Information Act (POPIA) and maintain the confidentiality of all municipal information; and
- Ensure that all working papers, reports and information generated during the contract remain the sole property of Elundini Local Municipality and are not disclosed without prior written approval.