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REQUEST FOR QUOTATION NO: IA – 4200000-2024/2025

APPOINTMENT OF A SERVICE PROVIDER TO PERFORM A REVIEW ON JM'S INTERNAL AUDIT DEPARTMENT

Issued by:
<p>The Joburg Market: Supply Chain Department</p> <p>P.O. Box 86007 Fortune Road City Deep Johannesburg 2049</p> <p>quotations@joburgmarket.co.za for enquires</p>

Full name of bidding/tendering entity: _____

Contact Person: _____

Tel Number: _____

Contract Price (excl VAT): _____

Contract Price (incl. VAT): _____

Advert date: **10 December 2024**

Closing date and time: **18 December 2024 @ 11H00**

Submission: **quotations@joburgmarket.co.za**

Bidders to submit a quotation as per the scope of work

1. BACKGROUND

The Joburg Market (JM) is municipal entity owned operation responsible for the management and operations of the fresh produce market facilities located in City Deep. As part of the Annual Audit plan for the 2024/25 financial year, the unit has to perform an internal quality assessment review as required by the Internal Audit standards.

JM has an in-house Internal Audit function and the unit will assist the service provider by providing some of the documents and explanations needed for the quality assessment review.

In terms of the International Standards for the Professional Practice of Internal Auditing (Standards) of the Institute of Internal Auditors (IIA), external assessments of the internal audit activity must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization.

The Internal Audit Unit is due for its first external quality assessment since unit inception.

Implementation Guide 1300 states, "The QAIP is designed to enable an evaluation of the internal audit activity's conformance with the International Standards for the Professional Practice of Internal Auditing (Standards) and whether internal auditors apply The IIA's Code of Ethics."

Through conformance with the Standards and the Code of Ethics, the internal audit activity also achieves alignment with the Definition of Internal Auditing and the Core Principles.

2. Purpose

To appoint a service provider to perform an internal audit quality assessment review during the year ending 30 June 2025.

The overall objective of this project is to appoint a suitable independent quality reviewer or review team with competent and skilful personnel that can assist to validate the internal audit activity's efficiency and effectiveness through conformance with the International Standards for the Professional Practice of Internal Auditing (Standards) and whether internal auditors apply the IIA's Code of Ethics and that the internal audit activity also achieves alignment with the Definition of Internal Auditing and the Core Principles.

The service provider will plan, execute and report on the internal audit quality assessment review. The outcome of the review will result in an Audit report with recommendations for quality improvements for Joburg Market Internal Audit.

3. Scope of work

a) Internal Quality Assurance Review (QAR) of Internal Audit department

The service providers will, amongst others:

Work with JM internal audit to do the following:

- Demonstrate an understanding on the Internal Quality assessment review work to be done
- Draft an engagement letter on the work to be done.
- Plan the review assessment;
- Perform the assessment review;
- Report on preliminary findings/observations and discuss with Internal Audit for clarification.
- Issue draft findings/observations for final discussion
- Obtain final Management comments
- Incorporate the final inputs/comments and
- Issue the final report on Internal Quality Assurance Review indicating areas of possible improvements that should be addressed before an external Quality Assurance Review is done in the near future after addressing the findings raised.

Assessment of the internal audit function should include the evaluation of:

- Compliance with the Institute of Internal Auditors Standards, Core Principles and Code of Ethics.
- Adequacy of internal audit charter, policies and procedures.
- Contribution to the organizational risk management, governance, and control process.
- Compliance with applicable laws, regulations, and government standards.
- Whether the internal audit activity adds value and improves organizational operations; and
- Implement the developed quality assurance improvement plan.

The following needs to be ascertained:

- The level of conformance with the standards and code of ethics;
- The efficiency and effectiveness of the internal audit activity;
- The internal audit activity's alignment with the definition of Internal Auditing as defined by the IIA.
- The extent to which the internal audit activity meets the expectations of the Council, Management, and value added to the municipality.

b) Please note the following about Joburg Market:

- The entity operates from one location at City Deep, Johannesburg.

4. Information required in the RFQ / proposal

- List of staff members that will be involved in the review including their qualifications and experience.
- Advanced knowledge and experience in performing Internal Audit Quality Assurance reviews is necessary for this assignment.
- Furnish the JM with references letters for Internal Audit quality review services performed by the service provider.
- Furnish the JM with CV's of staff members to be involved in the QAR to demonstrate their level of qualification and experience in performing QARs.
- Advanced knowledge in performing internal Quality Assurance Review assessments are important in this assignment;
- Details of rates charged per each level of staff.

5. Fee Structure

- The estimated full cost of the audit should be shown.
- Quotations to include details of rates charged per each staff member involved including hours and total amount.

6. Project Deliverables

- Internal Quality Assurance Review Report summarizing as well as detailing the observations from the assignment - signed copy and soft copy.
- Annexures in the form of evidence referred to in the report where applicable.
- Internal Audit file/folder referenced and reviewed and quality assured.
- Confirmation that the review work has been done as per IIA guidelines on internal QAR.
- Report on total hours spent on the project.
- Payment to the service provider will only be effected on receipt of the above.

Independence and Objectivity

- In carrying out the work, the successful Bidder must ensure that their staff maintains their objectivity by remaining independent of the activities they perform. The service provider shall:
- Have no executive or managerial powers, functions, or duties except those relating to the project.
- Not be involved in the day-to-day operation of the Entity

7. Evaluation of the Proposal

EVALUATION CRITERIA:

Bidder/s that scores less than **80 points** in respect of functionality, or submits solutions that are not according to requirements will be regarded as submitting a non-responsive bid and will be disqualified.

Bidder/s meeting the minimum required percentage or minimum points will be further evaluated for price and specific goals.

Proven experience in performing Quality Assurance Reviews	40 Points
Three (3) reference letters on client letterhead for QAR assessment work performed.	40 points
Two (2) reference letters on client letterhead for QAR assessment work performed.	30 Points
One (1) reference letter on client letterhead for QAR assessment work performed.	10 Points
Methodology	20 Points
Bidders must demonstrate how the project will be implemented. Detailed work plan or project plan Support plan and turnaround time	20 Points
Qualifications of key personnel (Attach CVs, relevant qualifications and proof of professional registration)	25 points
Principal Certified Internal Auditor (PCIA), Certified Internal Auditor (CIA), Professional Internal Auditor (PIA), or Chartered Accountant (CA) Who possesses current and in-depth knowledge of the standards.	25 Points
Member in good standing with the Institute of Internal Auditors South Africa (IIASA) or South African Institute of Chartered Accountants (SAICA)	15 Points
NO submission / Not relevant	0 Points
Registration of two (2) key personnel with recognised professional bodies (Attach proof of registration) Certified Accreditation	15 Points
IIASA or SAICA.	15 points
No submission	0 Points

A bidder that scored less than 80 points out of 100 in respect of functionality will be regarded as submitting a non-responsive bid.

Bidder/s that meets the minimum required percentage or minimum points will be subjected to price and preference points evaluation as per the PPPFA Act, No.5 of 2000 as amended and its associated Regulations, 2012 issued by the National Treasury.

**PRICING SCHEDULE
(Professional Services)**

Name of Bidder:.....	Bid Number:
Closing Time:	Closing Date:.....

OFFER TO BE VALID FOR DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

-----	R-----	----- days
-----	R-----	----- days
-----	R-----	----- days
-----	R-----	----- days

- 5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
-----	R.....
-----	R.....
-----	R.....
-----	R.....

***"all applicable taxes" includes value-added taxes, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract?*YES/ NO.

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....

.....

*Delete if not applicable

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1. Full Name of bidder or his or her representative:.....

3.2. Identity Number:

3.3. Position occupied in the Company (director, trustee, shareholder²):.....

3.4. Company Registration Number:

3.5. Tax Reference Number:.....

3.6. VAT Registration Number:

3.7. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8. Are you presently in the service of the state?

YES	NO
-----	----

3.8.1. If yes, furnish particulars.

¹MSCM Regulations: “in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999

(Act No.1 of 1999);

- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

² Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?

YES	NO
-----	----

3.9.1. If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES	NO
-----	----

3.10.1. If yes, furnish particulars.

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES	NO
-----	----

3.11.1. If yes, furnish particulars

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state?

YES	NO
-----	----

3.12.1. If yes, furnish particulars.

3.13 Are any spouse, child or parent of the company’s director’s trustees, managers, principle shareholders or stakeholders in service of the state?

YES	NO
-----	----

3.13.1. If yes, furnish particulars.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES	NO
-----	----

3.14.1. If yes, furnish particulars:.....

4. Full details of directors / trustees / members / shareholders (If employed by the state)

Full Name	Identity Number	State Employee Number (If employed by the state)

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.2 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.3 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.4 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left(\mathbf{1} - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left(\mathbf{1} - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left(\mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left(\mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Means of verification <u>Evidence must be provided to earn points</u>	Number of points allocated (80/20 system)	Number of points allocated (80/20 system) (To be completed by the bidder)
SMME's An EME OR QSE)	CSD, B-BBEE Certificate/ Affidavit Sworn under oath	10	
Enterprises located within the City of Johannesburg Metropolitan Municipality	CSD Proof of municipal account/ lease agreement	10	

DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number:
- 4.5. TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium
 - One-person business/sole propriety
 - Close corporation

- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

..... SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:
