



**GAUTENG**  
**LEGISLATURE**  
Your View — Our Vision

## **TERMS OF REFERENCE**

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**APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT  
AUDIT OF ALL GAUTENG PROVINCIAL LEGISLATURE (GPL)  
STAFF APPOINTMENTS AND REMUNERATION  
FROM JANUARY 1999 TO DECEMBER 2017  
FOR A PERIOD OF 4 MONTHS**

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## 1. **BACKGROUND**

- 1.1. Gauteng Provincial Legislature is a public institution charged with the constitutional mandate of conducting oversight over Gauteng Executive, law making for, promoting public participation within Gauteng Province and advancing co-operative governance.
- 1.2. The full roles and responsibilities of Gauteng Provincial Legislature are defined and spelt out in Chapter 6 (six) of the constitution.

## 2. **INTRODUCTION**

- 2.1. The Legislative Services Board, has resolved that an independent company be sourced and appointed to audit the process followed in making appointments and remuneration of all staff since January 1999 to December 2017.
- 2.2. Gauteng Provincial Legislature requires the services of a service provider to conduct audit of staff appointments and remuneration from January 1999 to December 2017.

## 3. **OBJECTIVES**

- 3.1. The aim of this terms of reference is to set requirements of this assignment, solicit proposals from prospective bidder(s) and appoint a suitable service provider.
- 3.2. The aim of the assignment is to ensure independent, objective and professional opinion on Gauteng Provincial Legislature (GPL) staff appointments and remuneration from January 1999 to December 2017.

## 4. **ROLE OF GAUTENG PROVINCIAL LEGISLATURE (GPL)**

- 4.1. Provide relevant and available documentation.
- 4.2. Provide liaison official for coordination between Gauteng Provincial Legislature and the service provider.

## 5. **ROLE OF THE SERVICE PROVIDER**

- 5.1. Render services required as per scope provided.
- 5.2. Comply with relevant and applicable legislation and regulations including ethical standards governing the profession in execution of this assignment.
- 5.3. Obtain background information about Gauteng Provincial Legislature (GPL) available on <http://gpl.gov.za>.
- 5.4. Complete the assignment within the required period.
- 5.5. Provide regular written project status updates bi-weekly
- 5.6. Report and present at various GPL consultative and decision-making structures, when requested to.

## 6. **SCOPE**

### 6.1. **Service Requirements**

- 6.1.1. Audit and report on how Gauteng Provincial Legislature (GPL) employees were appointed and remunerated for the period 1 January 1999 until 31 December 2017 with special focus on:

#### 6.1.1.1 **Recruitment and Selection Process**

- Sourcing/Advertising
- Shortlisting Process
- Interview Process
- Vetting process and outcomes/reports
- Selection

#### 6.1.1.2 **Appointment Process**

- Salary Package advertised
- Salary Package offered to the successful candidate
- Reference point at which they were appointed against the existing remuneration of reward policy.
- Any changes to their salaries during their appointment (excluding annual salary increments).

### 6.1.1.3 Remuneration Offered

#### 6.2. Staff Information

- 6.2.1. Gauteng Provincial Legislature (GPL) currently has staff complement of 430.
- 6.2.2. The service provider will liaise with relevant staff members including interviews to obtain further or required information.

#### 6.3. Audit Requirements

- 6.3.1. Establish how all staff were recruited and remunerated, during the period January 1999 to December 2017, in terms of Gauteng Provincial Legislature (GPL) policies, processes and the legislation. This will include but not limited to the sourcing process, advertising, shortlisting, interviews, vetting, appointment, and determining the salary at which the appointment is made.
- 6.3.2. Express an independent professional opinion on all scoped (Recruitment & Selection, Appointments and Remuneration) audited matters.

#### 6.4. Reporting Requirements

- 6.4.1. Submit a report on completion. The report must:
  - 6.4.1.1. Identify findings
  - 6.4.1.2. Identify specific deficiencies or areas of weakness in systems and controls, and make recommendations for their improvement;
  - 6.4.1.3. Examine on test basis the appropriateness of supporting documents, records relating to all recruitment, selection and appointment activities;
  - 6.4.1.4. Include management responses to audit findings and recommendations;
  - 6.4.1.5. Any matters that come to the auditor's attention during the audit that might have a significant impact to the implementation of the audit.
  - 6.4.1.6. Examine, assess and report on compliance.
- 6.4.2. The audit reports shall:
  - 6.4.2.1. Contain details of the method and scope of audit and assurance that the audit was performed in accordance with International Standards of Auditing and by a qualified auditor.
  - 6.4.2.2. Signed by the auditor responsible stating the title.
  - 6.4.2.3. Written in English
  - 6.4.2.4. Issued in hard and soft copy for circulation to Gauteng Provincial Legislature (GPL) Stakeholders.

#### 6.5. Project Team Requirements

- 6.5.1. The service provider must provide the following team members for the execution of this assignment.
  - 6.5.1.1. 1 x Project Manager, must be a qualified auditor registered with the relevant professional body, with at least 10 years' experience in auditing. At least 5 years must be at managerial level
  - 6.5.1.2. 1 x qualified Senior Auditor, with at least 8 years' experience in auditing and 3 years supervisory experience
  - 6.5.1.3. 2 x qualified Auditors with at least 5 years' experience in auditing
- 6.5.2. The service provider must complete this assignment within the required timeframe (4 months) within the financial proposal provided.

## 7. KEY ASSUMPTIONS

- 7.1. The assignment will be delivered using project management methodology;
- 7.2. Available relevant HR information, i.e. policies, processes, procedures and recruitment & remuneration documents will be accessible to the service provider;
- 7.3. Consultation with all relevant stakeholders will be undertaken;
- 7.4. Capacity to deliver on the assignment within the duration of the project; and
- 7.5. A service level agreement will be entered.

**8. PERIOD OF ASSIGNMENT**

8.1. The project must be completed within 4 (four) months;

**9. PRICING SCHEDULE**

9.1. The nature of this assignment will be based on hourly rate fee: -

9.2. Bidders proposals will be compared on hourly rates. Service providers are required to submit a table of hourly rates as required in the table below.

9.3. Rates should be inclusive of all overheads and VAT. An indication must be made whether quoting and invoicing is based on actual hourly rates or average hourly rates as per table below.

<b>PROJECT TEAM</b>	<b>HOURLY RATES (Incl. all overheads &amp; VAT)</b>
Project Manager	R
Senior Auditor	R
1 x Auditor	R
1 x Auditor	R
<b>Average Hourly Rate</b>	R

**10. REQUIRED COMPETENCIES**

- 10.1. Sufficient understanding of the Legislature's processes;
- 10.2. Sufficient understanding of the Public Sector, relevant legislation and the Constitution,
- 10.3. Thorough understanding of the Peromnes salary grading system,
- 10.4. Extensive experience in auditing of Human Resource Process or similar projects,
- 10.5. Accreditation with the relevant professional body
- 10.6. Experienced project team
- 10.7. Advanced skills in project management demonstrated in previous jobs.

**11. MINIMUM REQUIREMENTS**

- 11.1. Valid registration with the relevant professional body.  
[Attach valid proof of registration with the relevant professional body]
- 11.2. Ten (10) years' company experience in auditing Human Resources or handling similar projects. [Provide company profile detailing background and areas of specialisation. Provide a list of projects including project period, project value, and client name to demonstrate years of experience in executing or handling projects of a similar nature and provide references to certify projects undertaken or executed]

**12. EVALUATION CRITERIA**

12.1. The evaluation criteria is weighted to reflect the importance of project requirements noted in all specifications: All proposals submitted shall be evaluated based on the following criteria:

- 12.1.1. **Evaluation Stage One:** Administrative Compliance
- 12.1.2. **Evaluation Stage Two:** Pre-qualification functionality criteria
- 12.1.3. **Evaluation Stage Three:** 80/20 preference point system

**12.2. Administrative Compliance**

This is the evaluation criteria that measures compliance of service providers with the administrative requirements of this request and mandatory functional requirements as listed in the Terms of Reference. Service providers who fail to meet all requirements will be disqualified from further evaluation.

**12.3. Functionality Evaluation Criteria**

The evaluation criteria for measuring functionality, and the weighting attached to each criterion is listed in the table below. Service Providers who score 70 (average) points and above will be considered for phase 2 of the evaluation. Failure to meet the minimum threshold of 70 points will result in automatic disqualification.

FUNCTIONALITY EVALUATION CRITERIA														
CRITERION	DESCRIPTION	WEIGHT												
<b>Experience, Skills and Professional ability of the service provider, with specific relevance to the work/projects of this nature. Provide a list of projects + project period + project value + client name to demonstrate years of experience in executing projects of similar nature</b>	<table border="1"> <thead> <tr> <th>Experience</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>10 – 15 years</td> <td>15</td> </tr> <tr> <td>15+ years</td> <td>20</td> </tr> </tbody> </table>	Experience	Score	10 – 15 years	15	15+ years	20	20						
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15+ years	20													
<b>Internal Capacity – Project Team</b> Provide a list, names, roles cv and qualifications of team allocated to this project: <ul style="list-style-type: none"> <li>• Project Manager</li> <li>• Senior Auditor</li> <li>• 2 x Auditors</li> </ul>	<table border="1"> <thead> <tr> <th>Project Manager</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Professional Body Accreditation</td> <td>5</td> </tr> <tr> <td>Qualification</td> <td>5</td> </tr> <tr> <td>10 years auditing &amp; 5 years managerial experience</td> <td>5</td> </tr> </tbody> </table>	Project Manager	Score	Professional Body Accreditation	5	Qualification	5	10 years auditing & 5 years managerial experience	5	50				
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<b>Project Management</b> <ul style="list-style-type: none"> <li>• Comprehensive audit methodology to be applied</li> <li>• Detailed Project/ Execution Plan in line with the required services</li> </ul>	<table border="1"> <thead> <tr> <th colspan="3">Technical Approach / Methodology</th> </tr> <tr> <th>Rating</th> <th>Guide</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Average</td> <td>Incomplete methodology</td> <td>0</td> </tr> <tr> <td>Good</td> <td>Complete methodology</td> <td>5</td> </tr> </tbody> </table>	Technical Approach / Methodology			Rating	Guide	Score	Average	Incomplete methodology	0	Good	Complete methodology	5	10
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<b>References</b> References of similar work completed in the past five (5) years. Indicate: <ul style="list-style-type: none"> <li>• Client Name</li> <li>• Project Value</li> <li>• Name of Reference Person</li> <li>• Designation &amp; Contact Details</li> <li>• Nature of work provided to the client and level of satisfaction</li> </ul>	<table border="1"> <thead> <tr> <th colspan="2">Similar Work Completed</th> </tr> <tr> <th>Reference Letters</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>5 – 10 reference letters</td> <td>10</td> </tr> <tr> <td>10+ reference letters</td> <td>15</td> </tr> </tbody> </table>	Similar Work Completed		Reference Letters	Score	5 – 10 reference letters	10	10+ reference letters	15	15				
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<b>Locality</b> Promotion of business enterprises within Gauteng Province	Provide valid proof of company address not older than 3 months	5												
<b>Total Points</b>		<b>100</b>												
<b>Threshold</b>		<b>70</b>												

#### 12.4. PREFERENCE SCORE SYSTEM

PREFERENCE SCORE		
ITEM	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
B-BBEE (Status Level Verification Certificate)	B-BBEE Level Contributor	20

