

DANNHAUSER LOCAL MUNICIPALITY



APPOINTMENT OF CONSULTANT POLICY FOR 2025/26

DANNHAUSER LOCAL MUNICIPALITY

APPOINTMENT OF CONSULTANT POLICY

TABLE OF CONTENT

1. INTRODUCTION

2. DEFINATION

3. OBJECTIVE

4. SCOPE OF APPLICATION

5. LEGISLATIVE FRAMEWORK

6. ACTUAL POLICY

6.1. APPOINTMENT OF CONSULTANTS

6.1.1 PRIMARY REASONS FOR APPOINTMENT OF CONSULTANTS

6.1.2 MINIMUM REQUIREMENTS WHEN APPOINTING CONSULTANTS

6.1.3 SELECTION METHODS FOR THE APPOINTMENTS OF
CONSULTANTS

6.1.4. EMPLOYMENT CONTRACT OR AGREEMENT

6.1.5. TERMS AND CONDITIONS

6.2 RENUMERATION OF CONSULTANTS DANNHAUSER LOCAL MUNICIPALITY

DANNHAUSER LOCAL MUNICIPALITY

APPOINTMENT OF CONSULTANT POLICY

1. INTRODUCTION

2. DEFINATION

For the purposes of this policy the following definitions apply:

- | | | |
|-----------------------------|---|---|
| “Accounting Officer” | - | the municipal manager |
| “Budget” | - | the appropriated |
| “CFO” | - | Chief Financial Officer |
| “Municipality” | - | Dannhauser Municipality |
| “Consultant” | - | An external person or organization that Provides a service to the municipality in those arrears, where the municipality either Lacks the required specialized skills or Capacity. |
| “Lack of Capacity” | - | Insufficient physical resources within the Municipality; |
| | - | Relevant knowledge, expertise and |
| | - | Experience that may not exist within the municipality. |

3. OBJECTIVE

To ensure that consultants are paid within a regulated environment that is fair and equitable, thereby maximizing the value added to the municipality.

4. SCOPE OF APPLICATION

This document informs municipal officials of the policy on the appointment of consultants.

5. LEGISLATIVE FRAMEWORK

The municipality operations are governed by an array of different acts and this policy should be understood within that context.

The following Acts and prescripts are central in defining municipality boundaries and areas of influence:

- Municipal Finance Management Act
- Treasury Regulations
- National Treasury guidelines and prescripts

6. ACTUAL POLICY

6.1 APPOINTMENT OF CONSULTANTS

All appointments of consultants in the municipality shall be in writing recommended by the Municipality Bid Adjudication Committee and approved by the Accounting Officer.

Programme/ Responsibility managers may recommend the appointment of consultants to render specific services, should there be of the opinion that the Municipality lacks the required skills or necessary capacity and those funds are available within their existing budgets.

The Programme Manager will be responsible to prepare the “**Terms of Reference**” and submission to the Municipality Specification Committee to recommend to the Accounting Officer for the advertisement to request proposals.

6.1.1 PRIMARY REASONS FOR APPOINTMENT OF CONSULTANTS

Consultants are engaged principally for the following reasons:

- To provide specialized services for limited periods without any obligation of permanent employment;
- To benefit from superior knowledge, transfer of skills and upgrading of a knowledge base while executing an assignment;
- To provide independent advice on the most suitable approaches, methodologies and solutions of projects.

6.1.2 MINIMUM REQUIREMENTS WHEN APPOINTING CONSULTANTS

When appointing consultants, it is necessary to strive to satisfy the following minimum requirements:

- Meeting the highest standards of quality and efficiency;
- Obtaining advice that is unbiased, that is, being delivered by a consultant acting independently from an affiliation, economic or otherwise, which may cause conflict between the consultant's interests and those of government;
- Ensuring that the advices proposed or assignments executed, are meeting the ethical principles of the consultancy professions.

6.1.3 SELECTION METHOD(S) FOR THE APPOINTMENT OF CONSULTANTS

The following are methods most generally used for the appointment of consultants:

- Quality and cost based selection
- Quality based selection
- Selection under a fixed budget
- Least cost selection
- Single source selection

6.1.4 EMPLOYMENT CONTRACT OR AGREEMENT

- a) All appointments shall be by means of a written contract or agreement, between the Municipality and the consultant concerned;
- b) The Accounting Officer shall sign as the duly appointed representative of the Municipality;
- c) The Accounting Officer may approve the extension of employment contracts or agreements provided that:
 - Sufficient funds are available;
 - The extension is required as a result of additional operational requirements;
 - The original terms of reference have not been deviated from;
 - Delivery has been satisfactory and in accordance with the terms of reference; and
 - There must be a skill transferred.

6.1.5 TERMS AND CONDITIONS

Written contracts or agreements shall, as a minimum, contain the following:

- a) Defined deliverables;
- b) The mechanisms allowing for the frequent monitoring of progress in terms of the agreed objectives;
- c) The period of employment;
- d) The terms and conditions in terms of a specific regulation, code or collective agreement or tender;
- e) The notice period required by either side to terminate the contract;
- f) The rates agreed upon;
- g) The frequency of payment; and
- h) The method of payment.

6.2 PAYMENT OF CONSULTANTS

The payment of a consultant appointed on contract shall be:

- a) Where the consultant belongs to a professional body, the rate of payments as stipulated by that body; and
- b) In any other case, the rate as stipulated by the Auditor-General or at a rate determined fair or equitable by the Accounting Officer and agreed upon by both parties.

7. EFFECTIVE DATE

Effective date: 01 July 2025