

ROADS FUND BOARD



THE UNITED REPUBLIC OF TANZANIA

**TERMS OF REFERENCE
FOR
CONSULTANCY SERVICES FOR CONDUCTING TECHNICAL
PREVENTIVE MONITORING FOR TANROADS, TARURA, PORALG AND
MOWT (WORKS) FOR FY 2021/22, 2022/23 AND 2023/24**

OCTOBER 2021

1. BACKGROUND

1.1 General

- 1.1.1 The Roads Fund Board was established by the Road and Fuel Tolls Act Cap. 220 (Revised edition 2006) to manage the Roads Fund that is dedicated to road maintenance.
- 1.1.2 Pursuant to Part II, Section 4 of the Act, the Board, among other things, is mandate to ensure that:
- (i) The money deposited in the Fund shall not be used for any other purpose other than those provided for in the Act; and
 - (ii) The money deposited in the Fund shall be audited by the Controller and Auditor General or any other qualified auditor appointed by the Board after the approval of the Controller and Auditor General.
- 1.1.3 Pursuant to Part III, Section 5, sub-section 4 of the Act, the functions of the Board, among others, shall be to:
- (i) Apply the money deposited in the Fund for the purpose approval by the Parliament.
 - (ii) Disburse funds from the Fund to TANROADS, Local Authorities, other road agencies and the Fund are technically and financially sound.
 - (iii) Monitor the use of the funds disbursed to TANROADS, Local Authorities or other agencies for the purposes of the objects of the Fund.
 - (iv) Appoint, subject to approval by the Controller and Auditor General, an auditor or auditors to carry out the audit of the Fund.
- 1.1.4 Pursuant to Part III, Section 5, sub-section of the Act, “in discharging its function the Board shall enter into a performance agreement with the Chief Executive Officer of TANROADS or other agency to which the Board disbursed funds.”

1.2 Annual Performance Agreements with Implementing Agencies

- 1.2.1 In the FY 2021/22 the Board has entered into performance Agreements with the Chief Executive of the TANROADS; the Chief Executive of TARURA, the Permanent Secretary of President’s Office Regional Administration and Local Governments (PORALG) and the Permanent Secretary of the Ministry of Works, Transport (MOWT). Also, the Board plans to enter similar Agreements in the FY 2022/23 and FY 2023/24.
- 1.2.2 The general scope of work pertaining to the aforementioned performance agreements is as in the following sub-sections.

1.2.2.1 Performance Agreement with TANROADS

- 1.2.2.1.1* The Performance Agreement with TANROADS for FY 2021/22, and subsequent financial years of 2022/23 and 2023/24 covers, among others, the following activities: periodic maintenance, routine maintenance, spot improvement, bridge preventive maintenance, bridge major repairs, emergency works, PMMR executed by Regional Offices on Trunk and Regional roads and specific policy issues. A summary of activities covered in the Performance Agreement with TANROADS is summarized in ***Attachment 1***.

1.2.2.2 Performance Agreement with TARURA

1.2.2.2.1 The Performance Agreement with TARURA for FY 2021/22, and subsequent financial years of FY 2022/23 and FY 2023/24 covers, among others, the following activities: periodic maintenance, routine maintenance, spot improvement, bridge preventive maintenance, bridge major repairs, emergency works executive by Council Managers on District Roads (Feeder and Collection) and specific policy issues. A summary of activities covered in the Performance Agreement with TARURA is summarized in *Attachment 2*.

1.2.2.3 Performance Agreement with PORALG

1.2.2.3.1 The performance Agreement with PORALG for FY 2021/22, and subsequent financial years of 2022/23 and FY 2023/24 covers development works executed by PORALG through TARURA in respect of District roads including specific policy issues. A summary of activities covered in the Performance Agreement with PORALG is summarized in *Attachment 3*.

1.2.2.4 Performance Agreement with MOWT

1.2.2.4.1 The performance Agreement with MOWT for FY 2021/22, and subsequent financial years of 2022/23 and FY 2023/24 cover development works executed by MOWT through TANROADS in respect of Trunk and Regional roads including specific policy issues. A summary of activities covered in the Performance Agreement with MOWT is summarized in *Attachment 4*.

1.2.3 Expenditure for FY 2021/22

1.2.3.1 Expected expenditures for FY 2021/22 for TANROADS and TARURA from the MOWT and PORALG are shown in *Attachments 5 – 6*. While, expenditures for FY 2022/23 and FY 2023/24 will be confirmed at the start of the respective financial year.

2. OBJECTIVE OF THE ASSIGNMENT

2.1 The objective of the assignment is to provide a reasonable assurance to the Board and other stakeholders that resources earmarked for road maintenance activities from the Roads Fund are judiciously applied for the intended purposes and realize Value for money.

3. SCOPE OF SERVICES

3.1 Expected services

3.1.1 Although not limited to, the under-mentioned activities, the consultant shall carry out technical preventive monitoring for TANROADS, TARURA, PORALG and MOWT in order to make an assessment and come-up with recommendations on the under mentioned tasks for FY 2021/22, 2022/23 and 2023/24.

3.1.2 The Consultant shall be required to provide professional services necessary to undertake comprehensive technical preventive monitoring for activities of Road Agencies funded through the Roads Fund and/ or any other Development Partner supported projects as may be directed by the Client from time to time. The audit shall cover programme implemented in FY

2021/22, 2022/23 and 2023/24 in regions listed in section 3.1.1 below. List of projects for FY 2022/23 and 2023/24 will be provided for selection after budget approval for the specific year, normally in June.

3.2 Regions to be covered

3.2.1 Preventive technical monitoring shall be conducted in 12 regions while covering the TANROADS Regional offices (including projects financed through MOWT) and TARURA Council offices (including projects financed through PORALG and Development Partner).

Regions to be covered are grouped in 13 groups as follows: -

Group	FY 2021/22	FY 2022/23	FY 2023/24
1	Dar es Salaam	Kigoma	Rukwa
2	Coast Region	Ruvuma	Mwanza
3	Mwanza	Dodoma	Manyara
4	Shinyanga	Dar es Salaam	Njombe
5	Katavi	Morogoro	Dar es Salaam
6	Mtwara	Iringa	Lindi
7	Dodoma	Simiyu	Songwe
8	Kilimanjaro	Singida	Arusha
9	Kagera	Mara	Geita
10	Arusha	Mbeya	Tabora
11	Mbeya	Mwanza	Dodoma
12	Tanga	Arusha	Mbeya
13	Agriconnect Projects (Phase I) - Kilolo DC, Mbeya DC, Mufindi DC & Rungwe DC	-	-

3.2.2 The Consultant may bid for any/or all groups but may not be awarded more than one group. For carrying technical preventive monitoring each selected group, the Consultant shall select for each Implementing Agency **seven projects** to be audited from the Performance Agreement for FY 2021/22.

3.2.3 For TANROADS Regional Office, projects to be considered for selection shall also include development projects financed through MOWT.

3.2.4 For TARURA Council Office, projects to be considered for selection shall also include projects financed through PORALG.

3.2.5 The selected projects shall include one routine maintenance project, two periodic maintenance projects, one spot improvement or one bridge major repair and two upgrading/development/rehabilitation project.

3.2.6 The consultant shall audit all emergency projects implemented.

3.2.7 Preventive monitoring for TANROADS Dar Es Salaam Rukwa and Katavi shall include all maintenance projects implemented under PMMR program.

3.2.8 For groups 1 to 12, the selection of projects to be audited shall be random but considering geographical presentation, size and type of work such that the selected projects will not be

concentrated in one geographical area of the Road Agencies or only high value/small value projects.

- 3.2.9 A maintenance project selected for the sample is likely to be in a package of several roads in one contract. If so, monitoring and application of VFM instrument will be applied for the particular selected road and not for the whole package that has more than one road.

3.3 Tasks to be carried out in the audit

- 3.3.1 In carrying out services, the consultant shall read and understand the basic rules of standard procedures that are supposed to be observed/followed during the Audit. The Auditor shall apply the Value for Money Instrument (VfMI) of 2020 in assessing the various VfM parameters by referring to the VfMI User Guide which directs the Auditors as to how each and every parameter/sub-parameter is assessed and advises on how compile and audit report.

- 3.3.2 The consultant shall conduct detailed technical monitoring of each selected projects in 3.1 above by using the Value for Money Instrument (VfMI) provided by the RFB. The VfMI shall be followed in a step manner covering the following VfMI stages:

- (i) Planning, Design and Tender Documentation;
- (ii) Procurement Stage;
- (iii) Construction Stage;
- (iv) Project Completion and Closure Stage; and
- (v) Executed Works.

- 3.3.3 The consultant shall finally establish and conclude on achievement of value for money for the audited project by making use of the automation built into the RFB Value for Money Instrument. In operating the VfMI, the consultant should be guided by the VfM user Guide alongside the VfMI. The User guide explains in detail how every VfM indicator and parameter should be assessed. Based on the VfMI, the following shall be in detail for each of the audited projects.

(i) Planning, Design and Tender documentation

- 3.3.4 Assess the adequacy of planning, design and tender documentation as per criteria contained in item A of the Value for Money (VfM) instrument by assigning score points as per VfM User Guide. Clearly bring up key issues that are noted and that lead to awarding score points for each of the seven criteria. The consultant shall avoid generalizing key issues as poor, adequate, good or satisfactory.

(ii) Procurement

- 3.3.5 Assess the adequacy of procurement as per criteria contained in item B of the VfM instrument by assigning score points as per VfM User Guide, Clearly bring up key issues that are noted and that lead to awarding score points for each of seven criteria. The consultant shall avoid generalizing key issues as poor, adequate, good or satisfactory.

(iii) Construction

3.3.6 Assess the adequacy of contract supervision and contract administration as per criteria contained in item C of the VfM instrument by assigning score points as per VfM User Guide. Clearly bring key issues that are noted and that lead to awarding score points for each of the seven criteria. The consultant shall avoid generalizing key issues as poor, adequate, good or satisfactory.

(iv) Project completion and Closure

3.3.7 Assess the adequacy of project completion and closure as per criteria contained in item D of the VfM instrument by assigning score points as per VfM User Guide. Clearly bring up key issues that are noted and that lead to awarding score points for each of the seven criteria. The consultant shall avoid generalizing key issues as poor, adequate, good or satisfactory.

3.4 Executed Works

3.4.1 The Auditor shall visit executed or ongoing works to verify, through physical site inspection, measurement and testing that the quality, quantity and workmanship of executed works comply with the contract.

3.4.2 Specifically, the Auditor shall assess adequacy of executed works as per criteria contained in item E of the VfM Instrument by assigning score points as VfM User Guide. For executed works, the Auditor should clearly bring up key issued that are noted and that lead to awarding score points for each parameter and sub-parameter.

3.4.3 The consultant shall avoid general simple statements like: work is poor, adequate, good or satisfactory. If work assessed as poor. Likewise, for good and fair assessments.

3.4.4 The audit shall carry out confirmatory tests to verify the quality of works as follows:-

Work type	Road element	Materials Test	Estimated number of test
Paved roads	Surface dressing	Field density and thickness (Based (CRS/CRR)	Two tests for normal road - PM project. Four tests for major Development/Donor funded project
		TFV (dry & wet) (Base CRS/CRR)	
		TFV (dry & wet) (Surface dressing Wearing course)	
	Asphalt concrete	Coring of Asphalt (Bulk density & thickness)	
		Binder content & Aggregate grading	

Unpaved roads	Gravel	Field density (sand replacement method) and gravel thickness	Two test per road project
Bridge	Bridges	Rebound hammer	For a bridge, an average of at least ten reading covering four locations of each of the three elements ie. Foundations (only exposed portion, otherwise do not excavate), abutments and deck.

- 3.4.5 The Consultant shall provide a statement confirming that materials test indicated in the table above have been carried out in compliance with standard testing procedures.
- 3.4.6 The Consultant may conduct any other additional test considered necessary on observing the works at site.
- 3.4.7 The results of the tests, shall be discussed in the report with a view of indicating whether the quality of works is as per specifications or not and whether they conform to the test already done by the Implementing Agency.
- 3.4.8 The consultant shall monitor, verify and report on the use of gravel test kits available at all TARURA Council Manager's Offices for implemented works.
- 3.4.9 For each inspected road, the Consultant shall take photographs and each shall automatically indicate the date it was taken.
- 3.4.10 Materials testing costs have to be shown in detail in the financial proposal form 5B4: Breakdown of Reimbursable Expenses. Payment will be done for actual tests carried out.
- 3.4.11 Based on the sections (3.2.1-3.2.6) and the VfM User Guide, consultant shall advise whether the application of resources for selected projects achieved VfM. The VfM instrument can be applied up to whatever stage the project has reached and project VfM score can only be determined upon completion of all the 5 stages of the VfM instrument.
- 3.4.12 The consultant shall also advise on the compliance of financial issues noted from the monitored agencies.
- 3.4.13 Recommend necessary actions to be taken to improve the performance of road agencies.
- 3.4.14 Prepare matrices summarizing performance of all monitored TARURA Council offices and TANROADS Regional Offices covering the following:
- (i) The VfM score for each monitored road project covering Planning, Design and Tender documentation; Procurement; Construction; and Project completion and Closure; and Quality of Executed works.
 - (ii) For each monitored road agency, the key issues noted for each of the main stages of the VfM instrument. Key issues should clearly be stated and should be those which, according to the auditor's opinion, might affect or have affected the quality of the roads works. The auditor should not copy all issues identified in items 3.2.1 to 3.2.6.

- (a) For cases where there are costs involved in the noted key issues, the contract sum and figures of amounts involved be clearly shown for specific projects/ contracts e.g. non- charging of liquidated damages, overpayment of BOQ items etc;
- (b) For poor quality works, detailed information regarding the defects shall be provided including the location, name of the project/road, the contract sum;
- (c) For each issue prepare recommendations and get management's response; and
- (d) Financial issues for each audited road agency.

3.4.15 Conduct entry and exit meetings with each auditee as well as **general entry and exit meetings** with Chief Executive Officers of the Road Agencies. Have records of main issues discussed and of signed attendance. For the exit meeting record the management's responses to the issues and recommendations of the auditor. The minutes including recommendations(s) and response should be signed and stamped by both the implementing agency's representative and the consultant.

3.4.16 Review implementation of recommendations of previous audit report.

3.5 AD-HOC AUDITS

3.5.1 There may be ad hoc audits as directed by the client. These will be independently funded by the client at fees and reimbursable cost rates quoted by the consultant.

3.5.2 There shall be **donor funded projects** within the contractual period however, number and location within regions could not be determined yet. The consultant should be aware that when those projects are determined the **same rates quoted** will apply to the additional staff months resulting from those projects. Also, the consultant should be aware that those projects will be **reported separately**.

3.6 ADDITIONAL INFORMATION AND OUTPUT

3.6.1 A summary of the approved maintenance plans can be seen in Performance Agreement and the Annual Budget for TARURA, TANROADS, PORALG and MOWT.

3.6.2 The monitoring report shall cover the areas mentioned in section 3 above in:

- (i) Two (2) auditing cycles for the period from January to October 2022 covering works executed in the FY 2021/22;
- (ii) Three (3) auditing cycles for the period from July 2022 to October 2023 covering works executed in the FY 2022/23; and
- (iii) Three (3) auditing cycles for the period from July 2023 to October 2024 covering works executed in the FY 2023/24.

3.6.3 This is going to be a fixed price contract with no allowance for adjustment.

3.6.4 The Consultant shall prepare the following reports:

- (i) Inception report to be submitted within two weeks for FY 2021/22 and four weeks for FY 2022/23 and FY 2023/24 after commencement of the assignment (i.e. 15th December, 2021 for works of FY 2021/22, 1st August, 2022 for works of FY 2022/23

and 1st August, 2023 for works of FY 2023/24) highlighting the selection projects, status of mobilization, initial findings if any, challenges encountered and a detailed programme for the whole assignment including key milestones.

- (ii) Draft annual audit report in one original and three copies and soft copy in MS Word & Excel and PDF as appropriate, to be submitted within two weeks after the end of the year (i.e. 15th July, 2022 for works of FY 2021/22, 15th July, 2023 for works of FY 2022/23 and 15th July 2024 for works of FY 2023/24).
- (iii) The final Annual audit report incorporating comments from the Client shall be submitted in one original, nine copies and a soft copy in MS Word or PDF within two weeks after receiving the comments.
- (iv) Draft Roll over audit report in one original and three copies to be submitted within two weeks after the end of the first quarter (i.e. 15th October, 2022 for works of FY 2021/22, 15th October, 2022 for works of FY 2022/23 and 15th October, 2023 for works of FY 2023/24). The Final submitted in one original, three copies and a soft copy in MS Word or PDF within two weeks after receiving the comments.

3.6.5 The reports' format shall be as follows:

- (i) Cover page with the RFB emblem;
- (ii) Glossary of Abbreviations;
- (iii) Table of Contents;
- (iv) Executive Summary covering the key findings including status of Value for Money for audited projects (It should be standalone chapter) not exceed 10 pages;
- (v) Introduction;
- (vi) Detailed findings and recommendations following the contents of the VfM instrument (the findings must be explicitly stated); and
- (vii) Annexes: include matrices stated in 3.2.9; minutes of Entry and Exit meetings; record of site visit form, photographs and filled VfM instrument forms.

Note: The report format will be provided

- 3.6.6 The consultant shall submit and present the final annual and roll-over audit reports to the Board's Committee and the full Board, and respond to comments and queries raised by the Board and other stakeholders.
- 3.6.7 Presentations shall be in power-point and shall take approximately twenty minutes covering only where the audit took place and what were the key findings and recommendations.
- 3.6.8 The Consultant shall also make a presentation of the Annual audit report to the stakeholders meeting to be held in Dodoma or another region to be selected by the client.
- 3.6.9 The cost for all the presentations and the trip to and from Dodoma or other region (travel, upkeep and accommodation) shall be included in the financial proposal.

4. COMPOSITION OF CONSULTANT’S PERSONNEL AND QUALIFICATIONS

4.1 The requirements for each group will be as follows:

(a) Team Leader

4.2 The Team Leader shall have the following qualifications:

- (i) A qualified civil Engineer with at least ten (10) years of relevant professional experience in technical auditing and supervision of works or material investigation of road works on paved and unpaved roads or road management at a senior level;
- (ii) Registered by Engineer’s Registration Board as consultant or professional Engineer; and
- (iii) He/ she should be able to make independent judgements decisions.

(b) Technical Auditor

4.3 A team of Technical Auditor(s) shall consist of at least one (1) Civil Engineer, who shall be called a technical auditor and shall be evaluated representing the team. A technical Auditor shall have the following qualifications:

- (i) A qualified Civil Engineer with at least five (5) years of relevant experience in technical auditing or supervision of works or materials investigation on paved and unpaved roads or experience in road works as Site Engineer or road Management; and
- (ii) Registered by Engineer’s Registration Board as professional Engineer and shall be conversant with the Public Procurement Act, 2011, its amendments of 2016 and its Regulations.

5. DURATION OF THE ASSIGNMENT AND STAFF INPUT

5.1 The assignment will be executed for three consecutive financial years from 2021/22 to 2023/24. Monitoring will be conducted during the months of January to June and July to September of each year.

5.2 It is estimated that the following staff input will be required for the assignment in each region as shown in Tables 1 - 3 below.

Table 1: Sample for FY 2021/22

Group		No. of Agencies	Staff- months per year
Group 1:	Dar es Salaam	6	2.21
Group 2:	Coast Region	10	3.64
Group 3:	Mwanza	9	3.28
Group 4:	Shinyanga	7	2.56
Group 5:	Katavi	6	2.21
Group 6:	Mtwara	10	3.64
Group 7:	Dodoma	9	3.28
Group 8:	Kilimanjaro	8	2.92
Group 9:	Kagera	9	3.28
Group 10:	Arusha	8	2.92
Group 11:	Mbeya	8	2.92
Group 12:	Tanga	12	4.36

Group 13:	Agriconnect Phase I - Kilolo DC, Mbeya DC, Mufindi DC & Rungwe DC	4	1.47
Total		102	37.22

Table 2: Sample for FY 2022/23

Group		No. of Agencies	Staff- months per year
Group 1:	Kigoma	9	3.28
Group 2:	Ruvuma	9	3.28
Group 3:	Dodoma	9	3.28
Group 4:	Dar es Salaam	6	2.21
Group 5:	Morogoro	10	3.64
Group 6:	Iringa	6	2.21
Group 7:	Simiyu	7	2.56
Group 8:	Singida	8	2.92
Group 9:	Mara	10	3.64
Group 10:	Mbeya	8	2.92
Group 11:	Mwanza	9	3.28
Group 12:	Arusha	8	2.92
Group 13:	Agriconnect Phase II*	4*	1.47*
TOTAL		103*	37.61*

*Note: * to be confirmed after completion of the discussion with the development partner*

Table 3: Sample for FY 2023/24

Group		No. of Agencies	Staff- months per year
Group 1:	Rukwa	5	1.85
Group 2:	Mwanza	9	3.28
Group 3:	Manyara	8	2.92
Group 4:	Njombe	7	2.56
Group 5:	Dar es Salaam	6	2.21
Group 6:	Lindi	7	2.56
Group 7:	Songwe	6	2.21
Group 8:	Arusha	8	2.92
Group 9:	Geita	7	2.56
Group 10:	Tabora	9	3.28
Group 11:	Dodoma	9	3.28
Group 12:	Mbeya	8	2.92
Group 13:	Agriconnect Phase III*	4*	1.47*
Total		93*	34.02*

*Note: *to be confirmed after completion of the discussion with the Development Partner*

6. SELECTION OF THE CONSULTANT

6.1 Selection of the consultants will be combination of technical score and least cost consideration.

7. CONFLICT OF INTEREST

7.1 The Consultant shall submit a document indicating that neither the firm nor any of the key staff has provided any service related to the projects to be audited.

8. PAYMENT TO THE CONSULTANT

8.1 Payment will be made to the Consultant for successfully undertaking the assignments described in these Terms of Reference to cover for fees and reimbursable as per schedule below:

- (i) 10% upon submission of acceptable Inception Report;
- (ii) 60% upon submission of accepted Final Annual Report; and
- (iii) 30% upon submission of acceptable Final Roll-over Report.

9. SERVICES TO BE PROVIDED BY THE EMPLOYER

9.1 The Employer will provide the following documents:

- (i) The Road Fuel Tolls Act Cap 220;
- (ii) The performance Agreements between the Roads Fund Board and the Tanzania National Roads Agency (TANROADS) for FY 2021/22 – 2023/24;
- (iii) The Performance Agreements between the Roads Fund Board and the Tanzania Rural and Urban Roads Agency (TARURA) for FY 2021/22 – 2023/24;
- (iv) The performance Agreement between the Roads Fund Board and the President’s Office Regional Administration and Local Government (PORALG) for FY 2021/22 – 2023/24;
- (v) The Performance Agreements between the Roads Fund Board and the Ministry of Works and Transport (MOWT) for 2021/22 – 2023/24;
- (vi) Quarterly progress report for TANROADS, TARURA, PORALG and MOWT for FYs 2021/22 – 2023/24;
- (vii) Value for Money Instrument (in MS Excel) of year 2020;
- (viii) VfM Instrument Guide of year 2020;
- (ix) Technical Audit Manual of year 2020; and
- (x) Record of site visit form.

ATTACHMENTS

ATTACHMENT 1

**ACTIVITIES COVERED IN THE PERFORMANCE AGREEMENT WITH TANROADS FY
2021/22**

ATTACHMENT 2

ACTIVITIES IN THE PERFORMANCE AGREEMENT WITH TARURA FY 2021/22

ATTACHMENT 3

**ACTIVITIES COVERED IN THE PERFORMANCE AGREEMENT WITH PORALG FY
2021/22**

ATTACHMENT 4
ACTIVITIES COVERED IN THE PERFORMANCE AGREEMENT WITH MOWT FY
2021/22

ATTACHMENT 5

EXPECTED EXPENDITURE FOR TANROADS FROM MOWT IN ROAD WORKS FY 2021/22

ATTACHMENT 6
EXPECTED EXPENDITURE FOR PORALG FY 2021/22