

Terms of Reference (TOR)

1. Introduction

Under Part VII of the Construction Industry Development Act, No. 33 of 2014, the Construction Industry Development Authority (CIDA) is empowered to carry out Technical Auditing of Identified Construction Works, when requested by the owner or a Government organization.

Accordingly, the Authority shall register and maintain a register of Quality Management Auditors for the purpose of carrying out technical Auditing as per Section 45 (4) of the Act. The Rules published on gazette No.2065/41 on 5th of April 2018 spell out the process of registration of Quality Management Auditor and qualifications required for such registration.

2. Objectives

- **Ensure compliance**
Ensure that construction projects adhere to stipulated conditions, regulatory requirements and approved standards
- **Enhance quality and safety**
Improve the quality, safety and sustainability of construction outcomes through effective monitoring

3. Scope

- Quality Management Auditor shall study the application for audit and prepare audit scope statement and cost proposal and submit to the Authority. Cost proposal shall be based on the fees and rates published by the Authority.
- Quality Management Auditor shall have no authority and mandate to carry out the Technical Audit beyond the terms of reference given by the Authority unless the Authority has given written prior approval for such deviations.
- Quality Management Auditor shall have not made subjective decisions and recommendations.

TOR includes, but is not limited to:

- Inspection of structural systems, material compliance, workmanship, and site safety
- Verification of engineering drawings, construction sequences, and on-site execution quality
- Evaluation of mechanical, electrical, and plumbing (MEP) installations for technical compliance
- Assessment of adherence to national building codes and technical standards

- Verification of efficient use of materials, energy, and engineering resources
- Evaluation of engineering risk mitigation and health & safety
- Evaluation of design intent versus as-built outcomes
- Review of architectural detailing, spatial compliance and minimum ergonomic and accessibility standards
- Conformance with specific branding and identify regulations , environmental, and urban design regulations
- Inspection of finishing quality, façade systems, fabrication ,manufacturing details and integration with engineering services
- Assessment of compliance with public health and environmental sustainability norms
- Review of statutory planning approvals and regulatory submissions
- Re-measurement of work done
- Scrutiny of contract documentation and bills of quantities
- Verification of eligibility and quantum of contractor claims and varied works
- Verification of alignment between financial claims and physical progress
- Assessment of procurement compliance, contractual obligations, and dispute issues
- Evaluation of value-for-money, cost efficiency, and resource optimization
- Cross-verification of contractual deliverables, timelines, and payment conditions

4. Eligibility Criteria

- a) Relevant professional qualifications to carry out technical auditing
- b) Not less than fifteen years of post-graduate experience in the relevant field
- c) Registered as a Qualified Person
- d) A corporate member of the professional institute of the relevant discipline or registered under any board or Council of registration relating to construction industry established by an Act of Parliament

7. Appointment, Replacement and Termination

- Authority shall appoint the Quality Management Auditor depending on the extent and complexity of the Audit, from among the persons who are listed in the register of Quality Management Auditor maintained by the Authority.
- The auditing team may consist of a maximum of three members. If it is a two or three – member team, the Authority shall decide the leader of the team in consultation with the Quality Management Auditor selected which shall be final and binding.
- The replacement of Quality Management Auditor shall be at the discretion of the Authority in the event that the Quality Management Auditor is unable to perform or found not suitable.
- Authority shall have the right to terminate services of any Quality Management Auditor if he is found guilty of any misconduct with immediate effect upon a valid reason or for other reasons such as conflict of interest as decided by the Authority with prior notice. In such cases, works carried out by Quality Management Auditor will not be accepted.
- Quality Management Auditor shall declare that he is not associated in any manner with any of the parties affected by the audit or have any conflict of interest. The Quality Management Auditor having accepted the position in good faith, and having discovered later that a situation of conflict of interest has arisen or fallen ill for a prolonged period, may declare such situation and withdraw.
- In case of Quality Management Auditor withdrawing from the audit due to falling ill for a prolonged period or under any acceptable reason, the work already carried out by such Quality Management Auditor is considered valid and the Authority may, if necessary, appoint another person as a replacement.
- The Quality Management Auditor shall enter into an agreement with the Authority prior to carry out technical Auditing.

5. Application Processing Fee and Registration Fee

- The Application processing fee is non-refundable regardless the application result.
- Processing fees shall not be charged for renewals of registration if the application for renewal is made for within the specified time.
- Such other rates for levying of fees as required may be added, modified or altered by the Authority.

- Prevailing fees for the time being in force shall be as shown in Schedules.

Schedule 1 .Rate for Levying Fees for Registration of Quality Management Auditor	
Application Processing Fee (payable at submission of application)	Rs. 5000.00
Registration Fee (payable at confirmation of registration)	Rs. 25,000.00
Annual Renewal Fee	Rs 5,000.00

6. Technical Auditing Services Fee

Schedule 3 .Basic Fees and Rates for Technical Auditing Services (as of February 2017)	
<i>1. Remuneration (Daily)</i>	<i>Rs. 17, 500.00 per 8-hour day</i>
<i>2. Travelling</i>	<i>Rs. 50.00 per km</i>
<i>3. Lodging</i>	<i>Rs 7,500.00 per day</i>
<i>4. Meals</i>	<i>Rs. 2,500.00 per day</i>

7. Validity Period and Renewal of Registration

- Validity Period of Registration shall be a maximum of one year or from the date of registration up to the date of his expiry of his registration as a Qualified Person

8. Reporting and Documentation

- The Quality Management Auditor based on findings of Technical Auditing shall submit a draft audit report to the Authority within the time frame specified in the agreement.
- The Technical Auditing report shall essentially include date of issue, an introduction, an executive summary, and scope of Technical Auditing, detailed descriptions of the Technical Auditing done, and applicable analysis methods, standards referred for checking compliance and/or conformity, recommendations and conclusions. It shall also include copies of all relevant documents and correspondence referred to and in substantiation of the report.
- The Authority shall have the right to accept the report or reject any parts of the report at the discretion of the Authority but only with valid reasons.
- In addition, the Quality Management Auditor may, in his opinion and based on the lessons learnt of technical Auditing, suggest to the Authority any improvements required to the Technical auditing process and construction industry separately in writing but not as a part of the Technical Auditing Report.

9. Confidentiality and Ethics

- All Quality Management Auditor shall observe **confidentiality** regarding sensitive data.
- Members shall **avoid conflicts of interest, delays of submissions** and ensure impartial decision-making.

10. Duration and Review of TOR

- The Authority shall function on a **continuous basis**, subject to periodic reviews of its effectiveness.
- The TOR shall be reviewed and updated **case by case** to reflect emerging needs.