



# UMZIMVUBU

LOCAL MUNICIPALITY

**ADVERTISING DATE: 02 March 2021**

**UMZ/20-21/RISK ASSESSMENT(MM)**

**SERVICE PROVIDER TO CONDUCT UMZIMVUBU LOCAL MUNICIPALITY STRATEGIC AND OPERATIONAL RISK ASSESSMENT.**

Bidders are hereby invited to submit proposals/Quotations to conduct Umzimvubu local municipality strategic and operational risk assessment as per terms of reference .

**MANDATORY DOCUMENTS TO BE SUBMITTED FAILURE TO DO SO WILL LEAD TO BE NON RESPONSIVE.**

Umzimvubu Local Municipality Supply Chain Management will apply. A valid Original Tax Clearance Certificate or confirmation from SARS with a verification pin, copy of company Registration/Founding Statement/CIPC Documents. Certified BBBEE certificate and a combined BBBEE for a joint venture (non-elimination item). JV Agreement for Joint venture. 80/20 evaluation criteria. Prices quoted must be firm and must be inclusive of VAT for vat vendors. Certified ID Copies of Managing Directors/ Owners. CSD Registration and MBD forms 4,6,2, 8 and 9 are compulsory submission and **Billing Clearance certificate or Statement of Municipal Accounts. Certified copies of Certificates must not be later than 90 days of closing date. No faxed, e-mailed and late tenders will be accepted.** Umzimvubu Local Municipality reserves the right not to appoint and value for money will be the key determinant. All quotation must be deposited in the quotation box situated at **Umzimvubu Local Municipality Offices at SCM office 813 Main Street, Mt Frere not later than 12h00 noon on 10 March 2021.** All tenders must be clearly marked "Name of the project or Reference number". All service providers must be registered on CSD and submit proof. The municipality will not make award any award to a person or persons working for the state.

**Enquiries:** All technical enquiries may be directed to Mrs B Jokazi & Mr Mbukushe (SCM Manager) 039 255 8500 [Mbukushe.Themba@umzumvubu.gov.za](mailto:Mbukushe.Themba@umzumvubu.gov.za)

Other enquiries regarding this Bid may be directed to the office of the Municipal Manager:

**Attention: Mr G.P.T Nota**

**813 Main Street or P/Bag X9020**

**MT FRERE**

**5090**

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**GPT NOTA (MUNICIPAL MANAGER)**

## TERMS OF REFERENCE

NAME OF THE PROJECT: UMZIMVUBU LOCAL MUNICIPALITY STRATEGIC AND OPERATIONAL RISK ASSESSMENT

### 1. INTRODUCTION OF THE PROJECT

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To obtain service of a professional service provider to conduct strategic, operational risk assessment for the municipality.

### 2. AIMS OF THE PROJECT

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The objective of the project is to assist the municipality to develop a comprehensive risk register encompassing strategic and operational risks to which the municipality is exposed to, including ULM business continuity risks.

### 3. SPECIFICATIONS

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- 3.1 Facilitate sessions with management and key officials to identify (including business continuity) risks;
- 3.2 Identify opportunities
- 3.3 Assess those risks in terms of probability and impact.
- 3.4 Assess the level of strength and weaknesses of the current controls and advise/ assist management to design proper response strategies to address identified risks;
- 3.5 Rate risks;
- 3.6 Compile a comprehensive risk register; and update Business impact analysis
- 3.7 Present a final report on the risk profile of the municipality;

## 4. SCOPE OF WORK

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- 4.1 Achieve a deep understanding of the municipality's vision, mission and strategic goals, long term development plans as reflected in the Integrated Development Plan
- 4.2 Outline the strengths and weaknesses of the municipality's organizational, strategic and structures and processes;
- 4.3 Gather views and data of operational and strategic risks;
- 4.4 Facilitate the identification of inherent risks;
- 4.5 Assist in the identification and assessment of key/ significant risks which may affect the municipality's performance. This will cover the full spectrum of risks such as strategic risks, operational risk, reputational risk, regulatory compliance risks, financial risks, projects risks, business process risk, technology and systems risk, human resource management risks, and business continuity risks;
- 4.6 Facilitate a session of assisting management to identify the current controls in place and propose suitable risk mitigation measures;
- 4.7 Assist in defining and setting up of risk appetite and risk tolerance levels for approval by the Council;
- 4.8 Rank or evaluate the risks;
- 4.9 Document the identified risks, controls and action plans in a risk register;
- 4.10 Propose the design and implement of practical tools and techniques for risk management (key risk indicators, incident management, risk quantification, compliance, action point tracking and monitoring and reporting); and
- 4.11 Present and communicate the final municipality's risk profile

## 5. KEY DELIVERABLES

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1. Communicate strategy and approach to be utilised;
2. Submit a plan clearly indicating all project activities including for the holding sessions with all sections of the municipality;
3. Conduct a brief preliminary session on the fundamentals and importance of risk assessment;
4. Act as facilitation agent for the risk assessment process;
5. Submit learnership development program highlighting key aspects of learning with assessment report for the project;
6. Complete the sessions within the target completion dates

7. Submit and present final report on the risk profile of the municipality;

## 6. EVALUATION CRITERIA

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The proposals will be evaluated in two stages, namely:

- Stage 1- Functionality
- Stage 2- Price and BBBEE Points

Only Bidders who score 70% or more on stage 1 would be evaluated further and therefore eligible for the award.

ITEM	WEIGHT
<b>Stage 1 of Evaluation - Functionality</b>	
Previous Experience	40
Capacity and Expertise	30
Methodology	30
Total	100%
<b>Stage 2 of Evaluation - Functionality</b>	
Price	80%
BBBEE Level 1 Contributor	20%
Total	100%

**Breakdown of functionality:**

Functionality breakdown	Weight
<b>Previous Company relevant experience</b>	<b>40</b>
- 1-3 Municipality(s) and /or public/private sector ( 15 points)	
- 4-6 Municipalities and /or public/Private sector ( 25 Points)	
- 7 and above Municipalities and /or public/Private sector( 40 points)	
NB: Please attach letter of reference confirming that the job has been successfully done.	
<b>Capacity and expertise to undertake the project</b>	<b>30</b>
Experience of project team in risk management and Business Continuity Management ( 10 years and more is equivalent to 30 points) Experience in Internal audit – CIA / equivalent / Internal audit qualifications, Budget and treasury processes and ICT- CISA / equivalent	
Experience of project team in Risk Management and Business Continuity Management ( 5 years to 9 years' experience is equivalent to 20 points) Experience in Internal audit – CIA / equivalent / Internal audit qualifications, Budget and treasury processes and ICT- CISA / equivalent	
Experience of project team in Risk Management and Business Continuity Management ( 1- year to 4 years' experience is equivalent to 10 points) Experience in Internal audit – CIA / equivalent / Internal audit qualifications, Budget and treasury processes and ICT- CISA / equivalent	
NB: Attach proof of qualifications, registration with professional bodies; facilitator's qualifications and experience, in order to claim the above points.	
<b>Methodology</b>	<b>30</b>
Brief and clear proposal indicating clear understanding of requirements as set out in Terms of Reference	

***The service provider that obtains scores less than 70 will not be considered for price***

## 7. PROJECT MANAGEMENT

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The Service Provider will work very closely with the Municipality Audit Executive / Senior Manager as the designated Project Manager.

## 8. PROJECT TIMEFRAME

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The project timeframe is 1 month

## 9. Briefing session

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None