



UMZIMVUBU

LOCAL MUNICIPALITY

ADVERTISING DATE: 27 FEBRUARY 2019

UMZ/2018-19/RISK (MM)

SERVICE PROVIDER TO DO RISK ASSESSMENT.

Bidders are hereby invited to submit proposals/Quotations to do Risk assessment services 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, certified 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, 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 couriered, 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 08 March 2019**. 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 s P.Ndumndum & Mr Mbukushe (SCM Manager) 039 255 8558/8555

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)

**UMZIMVUBU LOCAL MUNICIPALITY
OFFICE OF THE MUNICIPAL MANAGER**



UMZIMVUBU
— LOCAL MUNICIPALITY —

**TERMS OF REFERENCE
FOR
RISK ASSESSMENT**

Issued and prepared by:
Umzimvubu Local Municipality
813 Main Street
Private Bag x9020
Mount Frere
5090

Municipal Manager: Mr GPT Nota
Contact Person: Ms. P Ndumndum
Tel: 039 255 0166

NAME OF THE PROJECT: RISK ASSESSMENT

1. INTRODUCTION OF THE PROJECT

The Umzimvubu Local Municipality seeks to obtain the services of suitably qualified service provider to assist with facilitation of strategic and operational risk assessment for the municipality. The service provider is also expected to transfer skills to Umzimvubu Local Municipality staff in relation to the implementation of risk management action plan. The service provider will directly report to the Municipal Manager and will work closely with the Assistant Manager Internal Audit in relation to the coordination, facilitation and compiling of the strategic and operational risk.

2. AIMS OF THE PROJECT

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.

3. SPECIFICATIONS

In terms of assisting the municipality in conducting risk assessment, the service provider is expected to:

- a) Facilitate a session with Management and Councilors :
 1. of identifying inherent risks that pose a threat to the municipality
 2. to identify the current controls in place to mitigate possible risks identified;
 3. identifying current and desired residual risks and their possible impacts on the municipality;
 4. assess the level of strength and weaknesses of the current controls
 5. to put in place sound Strategic and Operational controls to mitigate the risks to be within the municipality's risk appetite and risk tolerance levels;
 6. Rate risks
- b) Compile a comprehensive risk register;
- c) Present a final report on the risk profile of the municipality;
- d) Risk Management Plan

4. SCOPE

- 1) Achieve a deep understanding of the municipality mission, strategic objectives and long term development plans as reflected in the Integrated Development Plan;
- 2) Outline the strengths and weaknesses of the municipality's organizational, strategic and structures and processes;
- 3) Gather views and data on Strategic and Operational risks;
- 4) Facilitate the identification of inherent risks;
- 5) Assist in the identification and assessment of 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;
- 6) Facilitate a session of assisting management to identify the current controls in place and propose suitable risk mitigation measures;
- 7) Assist in defining and setting up of risk appetite and risk tolerance levels for approval by the Council;
- 8) Rank or evaluate the risks;
- 9) Document the identified risks, controls and action plans in a risk register;
- 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
- 11) Present and communicate the final municipality's risk profile

5. DELIVERABLES

- 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) Complete the sessions within the target completion dates
- 6) Submit and present final report on the risk profile of the municipality;

6. EVALUATION CRITERIA

The proposals will be evaluated in two stages, namely:

Stage 1- Functionality

Stage 2- Price and BBBEE Points

Only Bidders who score 60% or more on stage 1 would be evaluated further and therefore eligible for the award.

ITEM	WEIGHT
Stage 1 of Evaluation - Functionality	
Previous Experience in providing services of a similar magnitude (with contactable references) <ul style="list-style-type: none"> • Below 1 year (0 points) • 1-5 years (10 points) • Above 5 years (20 points) Experience must be submitted as per the following format: Client name; Contract Person; Contact Number and year	20
Capacity and Expertise Experience of project team in risk management Proof of relevant qualifications in specialized areas of i.e. Internal audit – CIA / equivalent / Internal audit qualifications Budget and treasury process ICT- CISA / equivalent NB: Attach proof of qualifications, registration with professional bodies; facilitator's qualifications and experience, in order to claim the above points.	40
Methodology Clear project implementation plan and methodology aligned with best practice; tools and technology used (Risk Assessment software; gun chart with cashflows)	40
Total	100%
Stage 2 of Evaluation - Functionality	

Price	80%
BBBEE Level 1 Contributor	20%
Total	100%

7. PROJECT MANAGEMENT

The service provider will directly report to the Municipal Manager and will work closely with the Assistant Manager Internal Audit

8. PROJECT TIMEFRAME

The duration of the project is one month from the date of appointment

9. TECHNICAL ENQUIRIES

For any enquiries in terms of the specification contact Ms. P. Ndumndum – 039 255 8558.

Recommended by

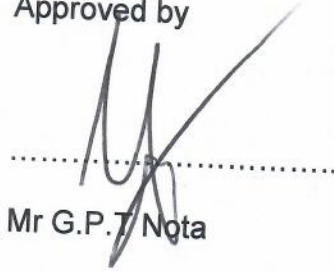


Ms. P Ndumndum

AM: Internal Audit

Date 15/02/2019

Approved by



Mr G.P.T Nota

Accounting Officer

Date