

**TERMS OF REFERENCE**

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**APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF STRATEGIC ADVISORY SUPPORT AND DEVELOPMENT OF THE GOVERNANCE RISK AND COMPLIANCE FUNCTION WITHIN GTAC**

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**Project Identification**

<b>Name of Client</b>	Government Technical Advisory Centre (GTAC)
<b>Contracting Authority</b>	Government Technical Advisory Centre (GTAC)
<b>Accountable Officer</b>	<b>Lindiwe Ndlela</b> Acting Head, GTAC
<b>Project Purpose</b>	<b>APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF STRATEGIC ADVISORY SUPPORT AND DEVELOPMENT OF THE GOVERNANCE RISK AND COMPLIANCE FUNCTION WITHIN GTAC</b>

## **1. PURPOSE**

The purpose of this Terms of Reference (TOR) is to detail GTAC's requirements for appointment of a service provider for the provision of strategic advisory support and development of the governance risk and compliance (GRC) function within GTAC.

## **2. BACKGROUND**

2.1 In terms of the Public Finance Management Act (PFMA), the Accounting Officer of an institution is responsible for ensuring a system of effective and efficient risk management and internal controls within the institution. Within GTAC, this function has been delegated to the GTAC Risk Management Committee supported by the GTAC Enterprise Risk Management (ERM) team.

2.2 The GTAC GRC function was set up during the 2020-2021 FY. This included the establishment of a Risk Management Committee. The GRC function is currently resourced through a task team consisting of unit members representing GTAC support units (GTAC Programme 1).

2.3 For the next phase it is envisaged that the overall GRC function requires upskilling, strategic support, improvement in the ERM process, and the effectiveness of the state of ERM within the organisation. One of the key processes identified as requiring improvement was integrating risk management into the planning process and ensuring adequate alignment to the overall GTAC strategic objectives.

2.4 GTAC has developed a strategic risk register for FY 2020/21 which was subsequently submitted to the Risk Management and Audit Committees as oversight structures. The aforementioned oversight committees recommended that GTAC align its strategic risk register for FY 2021/22 to the overall GTAC Strategy and Annual Performance Plan (APP).

## **3. OBJECTIVES OF THE SERVICES TO BE PROVIDED**

3.1 The overall objectives of the services are to provide 1 x Enterprise Risk Management Expert to support GTAC with short term advisory services with the overall aim of improvement of the governance, risk and compliance function within GTAC.

Resource Required				Outputs	Estimated Duration
1	X	Enterprise	Risk	Outputs as defined in section 4 below.	3 months
Management Expert					

#### 4. SCOPE OF SERVICES TO BE RENDERED

- 4.1 The appointed service provider is required to assist GTAC in developing the required frameworks, risk registers including the overall strategic risk, capacity development and mentoring of the Task Team as well as the establishment of an effective risk management function.
- 4.2 The ultimate outcome will be the establishment of an effective enterprise risk management solution to achieve the strategic outcomes for GTAC.

It is envisaged that the scope of work will entail the following:

- 4.3 Consolidated report containing the following must be prepared:
- 4.3.1 Assessment of current risk policy, practice and prevailing risk culture using a defined risk model;
  - 4.3.2 Assessment of the current risk registers and definition of strategic risks;
  - 4.3.3 Assessment of risk categories and reporting matrices for improvement including a combined assurance plan and reporting tools;
  - 4.3.4 Developmental support to the RMC and management regarding current practices and future requirements for the development of the ERM function;
  - 4.3.5 A diagnosis of issues affecting the performance of GTAC's ERM function;
  - 4.3.6 Considerations for the alignment of GTAC's strategic risk register for FY 2021/22 and 2022/23 FY to the overall GTAC Strategy and Annual Performance Plan (APP);
  - 4.3.7 Considerations for the maturity of GTAC's ERM function going forward; and
  - 4.3.8 Required changes to the strategic risk register for FY 2021/22.

- 4.4 The following policy documents must be updated and/or drafted:

To be drafted:

- 4.4.1 Develop the risk appetite and tolerance framework
- 4.4.2 Combined assurance framework;
- 4.4.3 Delegation of authority framework;
- 4.4.4 Project Risk Management framework;

Support and advise on the implementation of the following:

- 4.4.5 Refine the ERM framework, policy and strategy;
- 4.4.6 Business Continuity; (in process);
- 4.4.7 Anti-fraud and corruption policy;
- 4.4.8 Disaster recovery plan;
- 4.4.9 Case management framework;
- 4.4.10 Internal control framework;
- 4.4.11 Management of losses and claims;
- 4.4.12 GTAC policies and processes framework;
- 4.4.13 Review and update the risk policy, standards and framework to mitigate risk and ensure an effective reporting structure is established.

4.5 GTAC's risk registers must be updated:

- 4.5.1 Revise the strategic risk register for FY 2021/22 and identification of gaps;
- 4.5.2 Alignment of GTAC's strategic risk register according to the planning for the upcoming FY 2022/23 in accordance with the overall GTAC Strategy and Annual Performance Plan (APP);
- 4.5.3 Advise GTAC's ERM team on the maintenance of GTAC's strategic risk register;
- 4.5.4 Consultation and assistance to business unit Risk Owners and Risk Champions in the identification, risk classification, monitoring and mitigation of enterprise risk; and
- 4.5.5 Assist with the definition of strategic risks versus business unit operational risks.

4.6 An ERM function must be firmly established:

- 4.6.1 Risk information, communication, and reporting, improvement of the GTAC risk culture, co-ordination of all ERM activities of GTAC, risk oversight and support;

- 4.6.2 Facilitating a process to clearly define the risk appetite and tolerance of GTAC risks by reviewing the current status of enterprise risks;
  - 4.6.3 Best in practice recommendations to GTAC on the overall ERM function and activities;
  - 4.6.4 Implement and communicate risk reporting structures and roll out; and
  - 4.6.5 Evaluate the risk maturity and culture of GTAC and provide recommendations for improvement.
- 4.7 Capacity development and mentoring:
- 4.7.1 Provide workshops/risk training interventions to the risk owners, management and the Risk Management Committee; and
  - 4.7.2 Provide on-going mentoring support to the GTAC GRC Task Team.
- 4.8 General:
- 4.8.1 Review and update where required, the RMC Governance documents including the ToR, Strategy, Framework and Policy; and
  - 4.8.2 The appointed service provider will be required to provide a close out report to GTAC's management committee.

## **5 ASSUMPTIONS**

- 5.1 The service provider has the required resources, capacity and experience to fulfil these tasks.
- 5.2 GTAC will provide the necessary logistical and administrative support and avail all required information required.

## 6 RISK AND MITIGATION

Risk	High	Medium	Low	Mitigation
Resource material not available			x	Request NT ERM for templates and resources
Time delays	x			Planning and well-defined project plan
Unavailability of key stakeholders		x		Pro-active communication and support by the task team

## 7 DELIVERABLES

7.1 The resource will be required to deliver in accordance with the timeframes indicated below. (Refer to section 4 above).

#	Deliverable	Timeframe for delivery
1	<ul style="list-style-type: none"> <li>• Inception and diagnostic report of GTAC's current ERM function</li> <li>• Implementation plan (project plan)</li> </ul>	Week 1 - 2
2	<ul style="list-style-type: none"> <li>• Revised strategic risk register for FY 2021/22 (aligned to Strategy and APP for FY 2022/23).               <ul style="list-style-type: none"> <li>○ Revise the strategic risk register for FY 2021/22 and identification of gaps.</li> <li>○ Alignment of GTAC's strategic risk register according to the planning for the upcoming FY 2022/23 in accordance with the overall GTAC Strategy and Annual Performance Plan (APP).</li> <li>○ Advise GTAC's ERM team on the maintenance of GTAC's strategic risk register.</li> <li>○ Consultation and assistance to business unit Risk Owners and Risk Champions in the identification, risk classification, monitoring and mitigation of enterprise risk.</li> </ul> </li> </ul>	Week 3 – 7

#	Deliverable	Timeframe for delivery
	<ul style="list-style-type: none"> <li>○ Assist with the definition of strategic risks versus business unit operational risks.</li> </ul>	
3	Updated risk policy, standards and framework documents.	Week 8 - 11
4	Workshop/training interventions with stakeholders on overall enterprise risk management with the aim of improvement of GTAC's risk management at both a strategic and operational level (ERM Task Team, GTAC Management Committee, GTAC Risk Management Committee, business unit Risk Owners and Champions).	Spread over the duration of the project
5	Monthly timesheets and reports.	Monthly
6	Close-out report	Week 12

7.2 All preliminary consultation with GTAC officials in preparation for the delivery of the requirements as well as capacity development and workshops must be conducted telephonically or via an online meeting platform such as Microsoft Teams.

7.3 The support required is for a period of 3 months, to ensure proper assessment and capacity building in terms of the governance risk and compliance requirements for GTAC. Training workshops are required to ensure a culture of risk management is created, and management and RMC understands their role and functions in terms of GRC.

7.4 The appointed service provider will be responsible for the provision of office facilities including computers, telecommunications, stationary and administrative support as required.

## 8 GOVERNANCE ARRANGEMENTS

8.1 The service provider will report to the RMC Chairperson and Deputy Chairperson.

8.2 The work of the service provider will be guided by a Project Steering Committee consisting of at least two members of the RMC, NT representative, and Head or delegated official of GTAC.

8.3 The service provider will be supported by the GRC Task Team.

## **9 REPORTING**

- 9.1 The project will be registered on GTAC's time management system.
- 9.2 Monthly progress reports will accompany invoices (invoices will be delivery based).
- 9.3 Reports to be delivered include: (inception and diagnostic report, close-out report, overall performance management report).

## **10 LOCATION**

- 10.1 The project will be conducted virtually. All information must be stored on a central repository.

## **11 MANDATORY REQUIREMENTS**

- 11.1 Bidders must ensure that the following submission requirements are included in their bids. Failure to submit any of the below submission requirements shall render the bid invalid and lead to disqualification.
  - 11.1.1. Duly completed and signed Standard Bidding Documents (SBD 1, 3.1, 4, 8 and 9);
  - 11.1.2. Central Supplier Database (CSD) number/report;
  - 11.1.3. Certified cop(ies) of the relevant tertiary qualification(s) or equivalent from a recognized institution in line with area of expertise (where applicable);
  - 11.1.4. SAQA confirmation of accreditation (in the case of international qualifications);
  - 11.1.5. Detailed Curriculum Vitae of proposed resource (Completed and signed CV template provided as Annexure A); and
  - 11.1.6. Proposed resource proof of valid and current membership to the Institute of Risk Management South Africa (IRMSA) of at least Associate level or higher.

## **12 EVALUATION CRITERIA**

GTAC has set minimum standards that bidders must meet to be selected as a successful bidder.

### **12.1 Technical Evaluation Criteria**

The technical evaluation of the bid will be based on an assessment of the CV of the proposed resource (including relevant qualifications and relevant work experience [in number of months/years]); and specific relevant assignments completed (with dates of start and completion)]. Bidders must use the CV template provided as Annexure A.



A CV must attain a minimum score of 70% to be shortlisted and evaluated further based on price and B-BBEE (80/20). Where deemed necessary by GTAC, further negotiations on rates may be entered into.

Proposed resources may not form part of multiple bid submissions. Bidders/ Proposed resources must provide a signed CV as per Annexure A (CV template).

Only one CV per bid is required. In the event that multiple CV's for the same resource(s) are received an enquiry shall be conducted and in the event that both bidders were authorised to submit the CV, both shall be disqualified. Alternatively, in the event that only one bidder was authorised to submit the CV, the submission of the bidder with pre-authorisation to submit the CV shall be evaluated further.

The evaluation criteria and the maximum possible score for each criterion is shown in the table below:

TECHNICAL EVALUATION CRITERIA	SCORING	WEIGHT
<b>A. Relevant Qualifications of proposed Enterprise Risk Management Expert</b>		
Relevant qualification in the field of risk management.	5 – Masters Degree or higher or equivalent (NQF 9+)	20%
	4 - Honours Degree or equivalent (NQF 8)	
	3 - Degree/B-tech/National Diploma (NQF 7)	
	2 - Diploma Advanced Certificate (NQF 6)	
	1 - Higher Certificate (NQF 5)	
<b>B. Relevant Professional Experience</b>		
<b>B1: Number of years of experience in field of enterprise risk management and governance, risk and compliance of proposed Enterprise Risk Management Expert</b>		
Number of years' overall experience working in the field of enterprise risk management and governance, risk and compliance similar to the scope of work as described in section 4.	5 = 15+ years of relevant experience	50%
	4 = 11 - 14 years of relevant experience	
	3 = 7 - 10 years of relevant experience	
	2 = 3 - 6 years of relevant experience	
	1 = Less than 2 years of relevant experience	

TECHNICAL EVALUATION CRITERIA	SCORING	WEIGHT
<b>B2: Number of years of experience working in and/or providing consulting services to the public sector</b>		
Number of years overall experience working in and/or providing consulting services to the public sector	5 = 5+ years of relevant experience	30%
	4 = 4 years of relevant experience	
	3 = 3 years of relevant experience	
	2 = 2 years of relevant experience	
	1 = Less than 2 years of relevant experience	
<b>Total Technical Threshold</b>		<b>70%</b>
<b>Maximum Score</b>		<b>100%</b>

### 13 BID VALIDITY

The bid will be valid for a period of 60 days from the closing date.