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 National Lotteries Commission (NLC)
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NATIONAL LOTTERIES COMMISSION

RFP FOR THE APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A RISK MATURITY ASSESSMENT FOR THE NATIONAL LOTTERIES COMMISSION

BID PROCESS	BID REQUIREMENTS
Tender number	RFP/2022 - 067
Bid Advertisement Date	02 November 2022
Closing date and time	11 November 2022 at 11:00 (South African Standard Time)
Tender validity period	120 business working days <i>from the closing date</i>
Tenders are to be delivered to the following address on the stipulated closing date and time:	<p>The original bid document must be submitted ONLY via USB and handed in / delivered to:</p> <p>The Procurement Manager Supply Chain Management National Lotteries Commission 333 Grosvenor Street Block D, Hatfield Gardens Hatfield, Pretoria 0083</p> <p>Enquires ONLY can be emailed to: Bids@nlcsa.org.za / Mildred.Nkadameng@nlcsa.org.za</p> <p>Only electronic bid submissions will be accepted NO hardcopies.</p>

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SECTION 1: BACKGROUND, OVERVIEW AND RFP SCOPE OF REQUIREMENTS

1. Introduction

The National Lotteries Commission was established in terms of the Lotteries Act No. 57 of 1997, as amended (Lotteries Act) to regulate the National Lottery as well as other lotteries and societies.

The NLC aims to ensure that funds raised through the National Lottery are distributed equitably and expeditiously across South Africa in order to advance social upliftment of communities in need with the aim of addressing poverty and reducing inequalities in line with the National Development Plan.

The Commission is required to apply principles of openness and transparency in the exercise of its functions assigned to it in terms of the Lotteries Act No 57 of 1997.

2. Background

PFMA S(51)(1)(a) requires that “An accounting authority for a public entity must ensure that that public entity has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The ERM function continuously conducts risk assessments and workshops within the NLC to proactively identify and assess risks that may impact on the achievement of organisational objectives. In line with the above PFMA requirements, the NLC seeks to appoint a qualified service provider to conduct a risk maturity assessment for a period of three (3) months.

3. RFP Scope of Requirements and deliverables

NLC seeks to appoint a qualified service provider to conduct a risk maturity assessment.

- Risk maturity assessment report with findings, improvement areas and recommendations
- Review the effectiveness of the risk management, including the combined assurance program and provide recommendations
- NLC risk maturity benchmarking
- Provide a 3-to-5-year risk maturity improvement plan
- Review NLC ERM Policies and Frameworks and provide recommendations

4. Reporting Requirements

The successful bidder will report to the Chief Risk Officer.

5. Duration of the Project

The expected duration of the project is three (3) months after the signing of a Service Level Agreement (SLA).

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SECTION 2: NOTICE TO BIDDERS

1. Terms and conditions of Request for Proposals (RFP)

- 1.1 This document may contain confidential information that is the property of the NLC.
- 1.2 No part of the contents may be used, copied, disclosed, or conveyed in whole or in part to any party in any manner whatsoever other than for preparing a proposal in response to this RFP without prior written permission from the NLC.
- 1.3 All copyright and intellectual property herein vests with the NLC.
- 1.4 Late and incomplete submissions will not be accepted.
- 1.5 No services must be rendered, or goods delivered before an official NLC Purchase Order form has been received.
- 1.6 This RFP will be evaluated in terms of the 80/20 preference point system
- 1.7 Suppliers are required to register on the Central Supplier Database at www.csd.gov.za.
- 1.8 Suppliers must provide their CSD registration number (and attach a CSD Registration report) and ensure that their tax matters are compliant.
- 1.9 All questions regarding this RFP must be forwarded to bids@nlcsa.org.za.
- 1.10 Any supplier who has reasons to believe that the RFP specification is based on a specific brand must inform the NLC via the email addressed in 1.9.

2. General rules and instructions

- 2.1 News and press releases
 - 2.1.1 Bidders or their agents shall not make any news releases concerning this RFP or the awarding of the same or any resulting agreement(s) without the consent of, and then only in co-ordination with, the NLC.
- 2.2 Precedence of documents
 - 2.2.1 This RFP consists of a number of sections. Where there is a contradiction in terms between the clauses, phrases, words, stipulations or terms and herein referred to generally as stipulations in this RFP and the stipulations in any other document attached hereto, or the RFP submitted hereto, the relevant stipulations in this RFP shall take precedence.
 - 2.2.2 Where this RFP is silent on any matter, the relevant stipulations addressing such matter, and which appear in section 217 of the constitution of the republic shall take precedence. Bidders shall refrain from incorporating any additional stipulations in its proposal submitted in terms hereof other than in the form of a clearly marked recommendation that the NLC may in its sole discretion elect to import or to ignore. Any such inclusion shall not be used for any purpose of interpretation unless it has been so imported or acknowledged by the NLC.
 - 2.2.3 It remains the exclusive domain and election of the NLC as to which of these stipulations are applicable and to what extent. Bidders are hereby acknowledging that the decision of the

commission in this regard is final and binding. The onus to enquire and obtain clarity in this regard rests with the Bidder(s). The Bidder(s) shall take care to restrict its enquiries in this regard to the most reasonable interpretations required to ensure the necessary consensus.

2.3 Preferential procurement reform

2.3.1 The commission supports B-BBEE as an essential ingredient of its business. In accordance with government policy, the NLC insists that the private sector demonstrates its commitment and track record to B-BBEE in the areas of ownership (shareholding), skills transfer, employment equity and procurement practices (SMME Development) etc.

2.4 National Industrial Participation Programme

2.4.1 The Industrial Participation policy, which was endorsed by Cabinet on 30 April 1997, is applicable to contracts that have an imported content. The NIP is obligatory and therefore must be complied with. Bidders are required to sign and submit the Standard Bidding Document (SBD).

2.5 Language

2.5.1 Bids shall be submitted in English.

2.6 Gender

2.6.1 Any word implying any gender shall be interpreted to imply all other genders.

2.7 Headings

2.7.1 Headings are incorporated into this RFP document and submitted in response thereto, for ease of reference only and shall not form part thereof for any purpose of interpretation or for any other purpose.

2.8 Occupational Injuries and Diseases Act 13 of 1993

2.8.1 The Bidder warrants that all its employees (including the employees of any sub-contractor that may be appointed) are covered in terms of the Compensation for Occupational Injuries and Diseases Act 13 of 1993 and that the cover shall remain in force for the duration of the adjudication of this RFP and/ or subsequent agreement. the commission reserves the right to request the Bidder to submit documentary proof of the Bidder's registration and "good standing" with the Compensation Fund, or similar proof acceptable to the commission.

2.9 Processing of the Bidder's Personal Information

2.9.1 All Personal Information of the Bidder, its employees, representatives, associates and sub-contractors ("Bidder Personal Information") required under this RFP is collected and processed for the purpose of assessing the content of its tender proposal and awarding the bid. The Bidder is advised that Bidder Personal Information may be passed on to third-parties to whom the commission is compelled by law to provide such information. For example, where appropriate, the commission is compelled to submit information to National Treasury's Database of Restricted Suppliers.

2.9.2 All Personal Information collected will be processed in accordance with POPIA and with the commission Data Privacy Policy.

2.9.3 The following persons will have access to the Personal Information collected:

2.9.3.1 The commission personnel participating in procurement/award procedures; and

2.9.3.2 Members of the public: within seven working days from the time the bid is awarded, the following information will have to be made available on National Treasury's e-Tender portal:

2.9.3.2.1 contract description and bid number;

2.9.3.2.2 names of the successful bidder(s) and preference points claimed;

2.9.3.2.3 the contract price(s) (if possible);

2.9.3.2.4 contract period;

2.9.3.2.5 names of directors; and

2.9.3.2.6 date of completion/award.

2.9.4 The commission will ensure that the rights of the Bidder and of its employees and representatives (i.e. the right of access and the right to rectify) are effectively guaranteed in accordance with the procedures as specified in the commission PAIA manual.

2.9.5 In signing this document, the Bidder consents to the use of its Personal Information for the purposes as specified in section 2.9.1 above.

3. Formal Briefing Session

3.1 No briefing session.

4. Validity Period

4.1 The Commission requires a validity period of 120 [one hundred and twenty] Business Days [from closingdate] against this RFP.

4.2 Bidders are to note that they may be requested to extend the validity period of their bids, on the same terms and conditions, if the internal evaluation process are not finalised within the validity period.

5. National Treasury's Central Supplier Database

- 5.1 Bidders are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information.
- 5.2 The Commission may not award business to a bidder who has failed to register on the CSD.
- 5.3 Only foreign suppliers with no local registered entity need not register on the CSD.
- 5.4 The CSD can be accessed at <https://secure.csd.gov.za/>

6. Confidentiality

- 6.1 Bids submitted for this Request for Proposals will not be revealed to any other bidders and will be treated as contractually binding;
- 6.2 The Commission reserves all the rights afforded to it by the POPIA in the processing of any of its information as contained in Bid Proposals.
- 6.3 The Bidder acknowledges that it will obtain and have access to personal information of The NLC and agrees that it shall only process the information disclosed by the NLC in terms of this bid award and only for the purposes as detailed in this RFP and in accordance with any applicable law.
- 6.4 The Bidder shall notify the NLC in writing of any unauthorised access to personal information and the information of a third party, through cybercrimes or suspected cybercrimes, in its knowledge and report such crimes or suspected crimes to the relevant authorities in accordance with applicable laws, after becoming aware of such

7. Communication

- 7.1 Specific queries relating to this RFP should be submitted bids@nlcsa.org.za, before the closing date.
- 7.2 In the interest of fairness and transparency the NLC's response to such a query may be made available to other bidders.
- 7.3 It is prohibited for bidders to attempt, either directly or indirectly, to canvass any officer or employee of the NLC in respect of this RFP between the closing date and the date of the award of the business.
- 7.4 Bidders found to be in collusion with one another will be automatically disqualified and restricted from doing business with organs of state for a specified period.

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Section 3: EVALUATION CRITERIA

The six (6) phase evaluation criteria will be considered in evaluating the proposals, being



Stage 1 : Tender Closing and Opening

1.1 Tender closing details

The deadline for Tender submission is 11 November 2022 at 11:00am Standard South African Time. Any late tenders will not be accepted. Tenders are to be submitted to the NLC's tender box at the following physical address:

National Lotteries Commission
333 Grosvenor Street
Block D, Hatfield Gardens
Hatfield, Pretoria
0083

1.2 Bid Formats

Bid submissions must be submitted in a PDF format that is protected from any modifications, deletions, or additions.

Financial/pricing information must be presented in a separate attachment from the Technical/Functional Response information. The onus is on the Bidder to ensure that all mandatory and required documents are included in the electronic submission.

Stage 2: Administrative Compliance

All bid respondents must submit mandatory documents that comply with all mandatory requirements. Bids that do not fully comply with the mandatory requirements will be disqualified and will not be considered for further evaluation. The Administrative Compliance Evaluation will include the following:

Evaluation Criteria	Supporting Document
1. Returnable documents (standard bidding documents) and/or schedules were completed, duly signed by the authorized person. Bid must be neatly packed and indexed.	Bid Proposal; Standard Bidding Document (SBD 1,4, & 6.1) Forms
2. Signed consent form in terms of the Protection of Personal Information Act 4 of 2013 (POPIA) (Consent Forms Attached to the Bid as part of the SBDs).	Signed POPIA Consent Form
3. Submission of electronic bid document in a form of universal serial bus (USB) will be accepted. Due to COVID 19, no hand delivery of physical documents will be accepted. Only electronic bid document submitted on/or before the closing date and time will be submitted	USB only (in an envelope clearly marked with contact details and company name)
4. Full central Supplier Database (CSD) report with a compliant status	Valid CSD report
5. Company registration certificate	Certified CK certificate
6. List of company directors with ID numbers	Annexure
7. Whether the Bid proposal was submitted on time	Tender Submission Register

Stage 3: Mandatory Compliance

All bid respondents must submit mandatory documents that comply with all mandatory requirements. Bids that do not fully comply with the mandatory requirements will be disqualified and will not be considered for

further evaluation. The Administrative Compliance Evaluation will include the following:

Evaluation Criteria	Supporting Document
1. In the event of the bidder being in a joint venture (JV), a signed JV agreement must be submitted (where applicable)	JV Agreement
2. Proof of registration by the Bidder with professional bodies – IRMSA. In the event of the bidder being a joint venture (JV), one of the companies in the JV must fully comply with this mandatory requirement.	Please attach a membership/accreditation certified/ letter of good standing with the professional body for the bidder .
3. Bidder must be an EME or QSE in terms of the BBBEE Code of Good Conduct which is 51% black owned	BEE Certificate/ Sworn Affidavit
4. Fully completed bidders disclosure	SBD 4

Stage 3: Technical evaluation

The evaluation for the Technical and Functional threshold will include the following:

Category	Criteria Description	Weightings(%)	Scoring matrix (0 to 5)
Bidders Experience	Bidder experience in providing Enterprise Risk Management Services The bidder must demonstrate that they have the skills and experience to render the required service by submitting a company profile detailing similar projects undertaken that were successfully completed within the past 5 years, relevant to the TOR. E.g. <ul style="list-style-type: none"> • Risk maturity assessment • Review of ERM policy and frameworks 	15%	Bidder experience in providing Enterprise Risk Management Services Conducting risk maturity assessment and reviewing ERM policies and frameworks: <ul style="list-style-type: none"> • Above 5 years - 5 Points • 4 - 5 years – 4 points • 3 years – 3 points • 2 years – 2 points • 1 year – 1 point • No experience - 0
	Reference Letters Provide three written reference letters for risk maturity assessment services. Reference letters must include the company name, contact name, address, phone number, duration of contract, value of the contract, a brief description of the services that you provided. The reference letter must indicate the team leader who provided the service. The reference letter should state services rendered within past six (6) years. The reference letters must be on the client's letterhead and must be dated and signed.	5%	Contactable reference letters for each service listed above <ul style="list-style-type: none"> • No references = 0 points • One reference = 2 points • Three relevant reference letters for each service = 5 points
Key Personnel Qualifications	Team/Project Leader Qualifications Provide copies of qualifications for the team/project leader.	5%	Team leader's membership with IRMSA <ul style="list-style-type: none"> • Team leader's membership certificate provided – 5 points • No membership certificate - 0

Category	Criteria Description	Weightings(%)	Scoring matrix (0 to 5)		
		20%	The team/project leader must have the following qualifications and provide copies of qualifications: Tertiary Qualifications <ul style="list-style-type: none">• Post graduate qualification in Risk Management/ Commerce/Business Management/MBA – (5 points)• Degree/Diploma in Risk Management/ Commerce – (3 points)• No relevant tertiary qualification – 0 point		
Key Personnel Experience Provide summarized CV)	Key Personnel Experience Provide brief CVs of the team/project leader covering experience in similar work.	25%	Team Lead’s Experience		
			Service required	Weight	Years of experience of the lead consultant
			Conducting risk maturity assessments	15%	<ul style="list-style-type: none">• Above 5 years - 5 Points• 4 to 5 years – 4 points• 3 years – 3 points• 2 years – 2 points• 1 year – 1 point
			Reviewing risk management policy, ERM framework, Risk appetite framework	10%	<ul style="list-style-type: none">• Above 8 years - 5 Points• 5 to 8 years – 4 points• 4 years – 3 points• 2 to 3 years – 2 points• 1 year – 1 point
Methodology and Approach	Methodology and approach plan Provide a methodology for the delivery of the scope of work and approach to be taken. Methodology Provide detailed methodology for:	30%	Provide a methodology and project plan Methodology <ul style="list-style-type: none">• Excellent and detailed methodology addressing all TOR requirements. Response identifies factors that will offer potential value add, with supporting evidence. No reservation on the bidder’s ability, understanding, experience and resources to complete and deliver the project. (5 points)		

Category	Criteria Description	Weightings(%)	Scoring matrix (0 to 5)
	<ul style="list-style-type: none"> • Conducting risk maturity assessments indicating the risk management components and subcomponents to be evaluated. • The technology/tool to be used for the assessment and how this tool will used. • Validation and benchmarking of risk maturity results. • Reviewing risk management policies and frameworks 		<ul style="list-style-type: none"> • Good and detailed methodology. Satisfies the TOR requirements, with no additional benefits/value add. No reservation on the bidder's ability, understanding, experience and resources to complete and deliver the project. (4 points) • Fair methodology. Satisfies the TOR requirements, with no additional benefits/value add. Minor reservation on the bidder's ability, understanding, experience and resources to complete and deliver the project. (3 points) • Poor/inadequate methodology, with reservation on the bidder's ability, understanding, experience and resources to complete and deliver the project. (1 points) • No methodology – does not comply (0 points)

Total Weighting:

Minimum qualifying score required:

100
80

Stage 4: Pricing and B BBEE comparatives

The evaluation for Pricing and BBEE will include the following

Evaluation Criteria	Final Weighted Scores																				
<p>Price</p> <p>The following formula will be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or above R30 000 and up to a Rand value of R50 million, inclusive of all applicable taxes:</p> $P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$ <p>Where:</p> <p>P_s = Score for the Bid under consideration</p> <p>P_t = Price of Bid under consideration</p> <p>P_{min} = Price of lowest acceptable Bid</p>	80																				
<p>B-BBEE - Scorecard</p> <p>The following table will be used to calculate the score out of 20 for BBEE level status as evidenced by the certificate or sworn affidavit</p> <table border="1" data-bbox="248 1189 1062 1749"> <thead> <tr> <th>B-BBEE Status Level of Contributor</th><th>Number of Points (80/20 system)</th></tr> </thead> <tbody> <tr><td>1</td><td>20</td></tr> <tr><td>2</td><td>18</td></tr> <tr><td>3</td><td>14</td></tr> <tr><td>4</td><td>12</td></tr> <tr><td>5</td><td>8</td></tr> <tr><td>6</td><td>6</td></tr> <tr><td>7</td><td>4</td></tr> <tr><td>8</td><td>2</td></tr> <tr><td>Non-Compliant Contributor</td><td>0</td></tr> </tbody> </table>	B-BBEE Status Level of Contributor	Number of Points (80/20 system)	1	20	2	18	3	14	4	12	5	8	6	6	7	4	8	2	Non-Compliant Contributor	0	20
B-BBEE Status Level of Contributor	Number of Points (80/20 system)																				
1	20																				
2	18																				
3	14																				
4	12																				
5	8																				
6	6																				
7	4																				
8	2																				
Non-Compliant Contributor	0																				
TOTAL SCORE:	100																				

Stage 5: Due Diligence

Not applicable

Stage 6: Contract and Award

The stage is for negotiation after receipt of formal tenders and before the conclusion of contracts with suppliers/contractors submitting the lowest acceptable tender with a view to obtaining an improvement in price, delivery or content, in circumstances which do not put other tenderers at a disadvantage or affect adversely their confidence or trust in the competitive system. Bidders may be requested to provide their best and final offers based on contract negotiation

