



KWAZULU-NATAL PROVINCIAL TREASURY

P.O. Box 3613, Pietermaritzburg, 3200
Treasury House, 145 Chief Albert Luthuli Street, Pietermaritzburg
Tel: 033 897 4440 Fax: 033 341 0986

BID 1247/2023-F: REQUEST FOR INFORMATION- RISK MANAGEMENT SYSTEM

The Department invites prospective suppliers to submit information for risk management system to the KwaZulu-Natal Provincial Treasury.

FREE DOWNLOAD OF RFI FOR RISK MANAGEMENT SYSTEM.

The bid document can be downloaded on the Departmental website at:

<http://www.kzntreasury.gov.za/Tenders/Advertisements> and e-Tender Portal: www.etenders.gov.za

CONTACT PERSON FOR ENQUIRIES

Enquiries related to obtaining RFI may be directed to:

- Ms. T. Dube on Tel. No. (033) 897 4440 and e-mail: thandeka.dube@kzntreasury.gov.za or Ms. N Khumalo on Tel. No. (033) 897 4480 and e-mail: nonhlanhla.khumalo@kzntreasury.gov.za

Technical enquiries in relation to the required information may be directed to:

- Dr. C. Rajah on (033) 897 4550 and christopher.rajah@kzntreasury.gov.za

Office working hours is from **08h00 to 15h30**.

SUBMISSION OF PROPOSALS:

The closing date and time for receipt of the proposals is **21 November 2023** at **11h00 am**. Telegraphic, telephonic, telex, facsimile, e-mail and late Tender Proposals will not be accepted. Proposals must be deposited in the bid box specified below. Proposals deposited in any other bid box and address will not be accepted.

The Bid Box, located on the ground floor at the Treasury House
Attention: Financial Management Supply Chain Management Unit
KZN Provincial Treasury
145 Chief Albert Luthuli Road
Pietermaritzburg
3200



KWAZULU-NATAL PROVINCE

TREASURY

REPUBLIC OF SOUTH AFRICA

KWAZULU-NATAL DEPARTMENT: TREASURY

RISK MANAGEMENT SYSTEM

USER REQUIREMENTS DOCUMENT (URD)

VERSION 2.0

September 2023



1. Problem Statement

The Provincial Internal Audit Unit (PIAS) in the KwaZulu-Natal Provincial Treasury Department (KZNPT) is looking for a tool to improve the visibility, efficiency, and consistency of risk management work across the KwaZulu-Natal Provincial Departments, Entities and Municipalities. The aim is to strengthen Governance, Risk and Compliance (GRC) environment by integrating all three areas with the intention to equip the KwaZulu-Natal Provincial Administration with the necessary solution to manage risks with efficacy.

2. Objective of the Request for Information (RFI)

The Department invites prospective service providers to provide information on the supply, installation, and maintenance of a Risk Management Tool.

The KZNPT intends to use the RFI to determine the following:

- 2.1. To gather information on the suppliers available in the market.
- 2.2. The list of available suppliers identified in (2.1.) will then be invited to respond to the Request for Quotation (RFQ) on the provision of a Risk Management Tool.

Suppliers are encouraged to respond completely and clearly to the RFI to ensure that they are included in the list of invitees in the RFQ process.

3. Business Objectives

To ensure that the proposed system is fit for purpose, it should meet the business objectives as outlined below:

- 3.1. To improve the overall GRC environment in the KwaZulu-Natal Provincial Departments, Entities and Municipalities to effectively manage and treat risks.
- 3.2. To improve risk awareness in the KZN Provincial Administration by embedding and integrating risk management in all business processes.
- 3.3. To improve the communication of risk management outcomes both top-down and bottom-up.
- 3.4. To improve decision-making and goal setting by linking risk management to the organisation's strategy and objectives.



3.5. Monitor organizational and individual performance against goals and objectives.

3.6. Limit the impact of unwanted and unexpected risks or events on the business.

4. General Business Requirements Objectives

The system should satisfy the following broad business requirements:

- 4.1. The system must offer support or configurability for multiple Risk Management methodologies and frameworks in use in the Public Sector. This will ensure compliance with current and future regulations and prescripts.
- 4.2. The system must offer flexibility to adjust to the organization's existing risk management business processes and future changes to work processes.
- 4.3. The system must offer configurable workflows and framework logic to match the existing risk management methodology and for future changes.
- 4.4. The system must provide configurable templates for Compliance Risk Management Plans (CRMP), Regulatory Universe, Risk Register and other applicable compliance management documents.
- 4.5. To counter silo-based approach to risk management in the organisation, it is important to have an aggregation tool that can collect data across all business units.
- 4.6. To provide a view at the business unit level of risk.
- 4.7. To provide an inter-organisational view of risk.
- 4.8. To provide an organisation-wide view of risk.
- 4.9. Provide real-time visibility through dashboards and reports to various stakeholders (MEC, Audit/Assurance providers) and oversight bodies e.g., the Audit Committee, Board, etc.
- 4.10. Perform trend analysis to identify priority areas.
- 4.11. To provide a full view of the risk landscape in the organisation.
- 4.12. Assess the cumulative impact of risks across the organisation whilst isolating areas for localised treatment.



5. Functional Requirements

The system will be used to manage the risks of various KZN Provincial Departments, Municipalities and Entities. This means it should be able to keep separate risk work of each department, public entity, and municipality, but allow for consolidated reporting to build various risk profiles at the KZN Provincial level. The system, at a minimum, must meet the following Risk Management, Compliance Management, Reporting Management and General Management requirements:

5.1. Risk Management

The system is required to have the following capabilities:

- 5.1.1. Conduct risk assessments using workflows/templates according to risk framework.
- 5.1.2. Assign risk owners to action plans, as well as due dates
- 5.1.3. Track progress on remedial actions.
- 5.1.4. Alert users and managers to tasks, actions and escalations regarding risk treatments and controls testing.
- 5.1.5. Update and track organisations' risk registers.
- 5.1.6. Visual linked risk and related risk functionality (mind mapping).
- 5.1.7. Allow for risk analysis (ISO 31000/COSO 2018).
- 5.1.8. Capture and maintain a knowledge base/library of risks to reduce duplicate risk definitions.
- 5.1.9. Maintain multiple risk domain structures for each provincial department, public entity and municipality.

5.2. Reporting Management

The system is required to have the following capabilities:

- 5.2.1. Automated risk aggregation functionality across the organisation.
- 5.2.2. Generate risk reports to be submitted to stakeholders and oversight bodies.
- 5.2.3. Visual linked risk and related risk functionality (mind mapping)
- 5.2.4. Ability for users to create their own dashboard reports as a non-technical user.



- 5.2.5. System to generate the reports based on certain pre-defined parameters.
- 5.2.6. The system will allow the users to print and download reports.
- 5.2.7. Provides a centralized and easy to use reporting environment.
- 5.2.8. Ability to develop new reports and distribution thereof.
- 5.2.9. Generates real time reports in a variety of configurable presentation formats such as bar charts, bubble charts, trend lines.
- 5.2.10. Provides ability to roll-up/aggregated reports.
- 5.2.11. System to provide dashboard reporting to allow for different roles and end users to modify their views and drill down into specific items and metrics.

6. Technical Requirements

The system is required to have the following capabilities:

- 6.1. Automated risk aggregation functionality.
- 6.2. Full audit trail capability.
- 6.3. Integration with Microsoft Office and Microsoft Analytic tools such as Power-BI, as well as the audit software - Teammate
- 6.4. Templates should be exportable to enable offline work.
- 6.5. Solution should be scalable in terms of the frameworks and users it can accommodate.
- 6.6. Safeguard enterprise information through roles-based security and audit trails.
- 6.7. Host compliance information on-site or in the cloud.
- 6.8. Minimum coding solution –system must be an easily configurable user application for which no vendor coding or minimum coding is required.
- 6.9. Reporting Dashboards and detailed reporting
- 6.10. Online Reporting API – for reporting using third-party tools.
- 6.11. Ease of use and navigation – System should be intuitive and user friendly to minimize time spent learning it and maximizing its use.
- 6.12. Web-based- System should be accessed through a browser in a secure manner.



6.13. Cloud and/or On-Premise for easy deployment- The system should be Cloud based. If it is on premise, then an option should exist to move to Cloud in the future.

6.14. Compatibility across Browsers & Device- Various end-user devices and browser software should be supported to improve accessibility.

6.15. Configurability – users should be able to establish and control their own dimensions, perspectives, phases, milestones, workflow, individual views and taxonomy.

6.16. Flexible & Personalized Working.

6.17. Data Validation – Ability to configure specific fields as mandatory i.e., risk rating or root cause to ensure management information is complete.

6.18. Free Access for action/risk owners – Unlimited number of action/risk owners can access the system for providing status updates to the actions they own. This is supported with automated email notifications and reminders.

6.19. User driven development: The system should be supported by a dedicated development team to allow for the ongoing development of the solution.

6.20. Dedicated local support: Dedicated support staff should be available through a helpdesk facility

6.21. Collaboration- seamless collaboration on work items with both your audit colleagues and external stakeholders and provides visibility into organisations outside of Internal Audit.

7. Shortlisting Criteria

The following criteria will be used to short list perspective suppliers.

| No. | REQUIREMENT DESCRIPTION | EVIDENCE REQUIRED | SCORE |
|-----|--|---|--|
| 1. | Meets the Risk Management requirements outlined in section 5.1. above. | Demonstration of the functional requirements being met in the proposed system or a detailed presentation. | 10 points for requirements met or 0 points for requirements not met. |
| 2. | Meets the Reporting Management requirements | Demonstration of the functional requirements being met in the | 10 points for requirements met or 0 points for requirements not met. |



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| | outlined in section 5.2. above. | proposed system or a detailed presentation. | |
| 3. | Meets the Technical requirements outlined in section 6. above. | Demonstration of the technical requirements being met in the proposed system or a detailed presentation. | 10 points for requirements met or 0 points for requirements not met. |
| 4. | Supplier's experience in implementing and supporting a similar solution. | At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail if the system was implemented, supported and when the work was done as this is used to assess the points awarded for experience. | No letter(s) of recommendation attached - 0 points. Letter(s) show implementation and support work was only done in the last 5 years = 1 point Letter(s) show implementation and support work was done for more than 5 years but less than 7 years = 3 points. Letter(s) show implementation and support work was done for more than 7 years = 5 points. |
| 5. | Proof of implementation of the system in the public or private sector in South Africa. | At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail the status of the implementation to assess proof of implementation. | No letter(s) of implementation attached - 0 points. Letter(s) show system successfully implemented, and system is fully functional = 5 points. Letter(s) show system implementation is in progress and system is partially functional = 4 points. |



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| | | | <p>Letter(s) show system implementation is in progress and system is not yet functional = 3 points.</p> <p>Letter(s) show system implementation is stalled, and system is not yet functional = 2 points.</p> <p>Letter(s) show system implementation is cancelled = 1 point.</p> |
| 6. | Size of System implementation in organization. | At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail the size of the implementation in terms of the number of users. | <p>No letter(s) of size of implementation attached - 0 points.</p> <p>Letter(s) show user base is less than 100 users = 1 points.</p> <p>Letter(s) show user base is between 100 to 300 users = 5 points.</p> <p>Letter(s) show user base in greater than 300 users = 10 points.</p> |
| 7. | Project Plan | <p>A project plan must be attached indicating at least the following milestones with details on costs, duration, and resources.</p> <p>Milestones:</p> <p>Installation</p> <p>Configuration including reporting.</p> <p>Migration of existing company data</p> | <p>No project plan attached - 0 points.</p> <p>Incomplete/unclear project plan attached = 1 points.</p> <p>Complete and detailed project plan attached = 10 points.</p> |



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| | | User testing User training Handover Backup and Recovery | |
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8. Indicative costing

A breakdown of costs must be provided in a schedule or project plan. At a minimum the following costs must be considered. Please ensure that the schedule is detailed and clear.

| Item | Details |
|-------------------------|--|
| Installation | On premise installation On Cloud installation (incl. subscription costs for SaaS, hosting costs etc.) |
| Configuration | System parameter configurations Template and other functional configurations User configurations including user access. Configurations of user reports and system generated reports including dashboards. |
| Migration of user data | Migration costs. Backup and recovery costs |
| User administration | On-boarding of users (incl. new users), groups etc. User groups configurations and rights. |
| User training | Administration training (per admin) User training (per user) Training manuals and documentation |
| User and System support | Office hours/remote/telephonic hours costs On-site support costs A full breakdown of costs must be included such as disbursements or call-out fee. |



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| S&T costs | For support and training. Disbursement costs e.g. accommodation curbed price per night; travel cost curbed at what price (can't exceed government rates) (it is a common practice to curb disbursement costs at 10% of the total price) |
| Project Administration | All project costs. |
| Running and Maintenance Costs | Once- costs Maintenance costs for a three-year maintenance agreement. User and Admin licensing costs (seat or enterprise license costs, cost of the platform etc.) |

Notes:

Pricing should include VAT and ROE where relevant.

For enquiries contact: Dr C. Rajah – Christopher.rajah@kzntreasury.gov.za