ANNEXURE A

SCOPE OF WORK – APPOINTMENT OF A SERVICE PROVIDER TO FACILITATE A RISK WORKSHOP FOR THE SOUTH AFRICAN BUREAU OF STANDARDS (SABS) BOARD AND MANAGEMENT

1. BACKGROUND

1.1. The SABS is an organ of state, which is governed by the *Standards Act,* 2008 (Act No. 8 of 2008). The SABS has a wholly owned subsidiary, SABS Commercial SOC Ltd, established in terms of the *Companies Act,* 2008 (Act No. 71 of 2008). The SABS and SABS Commercial SOC Ltd are jointly referred to herein as the SABS.

1.2. The SABS has identified the following as its (the SABS') strategic objectives:

1.2.1. To achieve and maintain financial sustainability through growth in revenue and, return on investment and cost containment;

1.2.2. To develop, promote and increase the use of standards and conformity assessment services that address market needs;

1.2.3. To embed good governance, stakeholder relations, internal processes and systems that drive continuous improvement;

1.2.4. Invest in infrastructure and technology that supports an enabling environment for sustainability; and

1.2.5. Build a high-performance culture, through inclusivity, diversity and agility.

1.3. Section 51(1) of the *Public Finance Management Act,* 1999 (Act No.1 of 1999) ("the PFMA") prescribes that an accounting authority (the Board) for a public entity must ensure that the public entity has and maintains effective, efficient, and transparent system of financial and **risk management**, and internal control. The aforesaid provisions of the PFMA are augmented by Regulation 27.2.1 of the *National Treasury Regulations*, which prescribes that:

1.3.1. The accounting authority must facilitate a risk assessment to determine the material risks to which the entity may be exposed and to evaluate the strategy for managing these risks. The strategy must be used to direct the internal audit effort and priority, and to determine the skills required for managing these risks.

1.4. The abovementioned legal requirements are further expressed in Principle 4 of the King IV (*Report on Corporate Governance for South Africa,* 2016), which provides that:

1.4.1. The governing body [the Board] should appreciate that the organization's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

1.5. It is against this background that the SABS wishes to appoint a service provider to facilitate a risk workshop for the SABS.

1.6. The of objective of the workshop is to determine material risks to which the SABS may be exposed, and which risks may hinder the SABS from achieving its strategic objectives and develop mitigation plans for implementation.

2. SCOPE OF SERVICE

2.1. The service provider is required to facilitate a coordinated three (3) days risk workshop, arranged into specific sessions and with specific deliverable as articulated below.

2.2. The three (3) days risk workshop must be arranged a follows:

2.2.1. A full one (1) day workshop with the Executive Committee of the SABS and Management to map all strategic risks and produce a matrix that shows all the identified strategic risks.

2.2.2. A two (2) days' workshop with the Board of the SABS and Management and:

- Facilitate a Strategic Risk Assessment workshop covering strategic, governance, Information & Technology (ICT), Fraud and Ethics risks;
- Facilitate the Rating of the identified risks;
- Review and revise internal Controls and mitigation plans;
- Review and revise SABS' Risk Appetite;
- Review and revise the SABS' Risk Tolerance Framework; and
- Review and revise Organization-specific policies and procedures and identify gaps, if any.

3. DELIVERABLES

3.1. A draft report to be discussed with management within 5days of the workshop.

3.2. A final report to be presented to the Board and/or the Audit and Risk Committee after receiving management comments. The report to the Board and/or the Audit and Risk Committee to be presented on a date to be determined by the SABS.

4. BIDDER SUBMISSION - EVALUATION

4.1. The submissions of bids by the bidders should include:

4.1.1. <u>Capacity and capability</u>

- Provide a curriculum vitae of the facilitator which will demonstrate experience in facilitating risk workshops for entities of a similar size to the SABS.
- The curriculum vitae should be supported by the following:
  - Evidence of facilitating workshops at Executive and Board level.
  - Evidence of accreditation and membership of the Institute of Risk Management South Africa (IRMSA) or any other professional body relevant to risk management.
  - Certificates of academic qualifications, and
  - Any other supporting documents deemed necessary.

4.1.2. Presentation

The Bidder will be required to make a presentation of not more than twenty (20) minutes to the Executive Committee of the SABS to demonstrate understanding of the scope and its proposed execution plan. The person who conducts the presentation for evaluation purposes must be the designated Facilitator in the event of the Bidder being successful.

4.1.3. References

- Provide a minimum of three (3) contactable reference letters from current/recent (not older than 3 years) clients, where similar services were rendered.
- The reference letters must be on a company letter head and include the following:
  - Brief description of services rendered;
  - Duration of contract;
  - Quality of service;
  - Company address and contact person;
  - View on performance; and
  - Level of customer satisfaction.

4.1.4. A proposed program for the workshop that addresses the scope of work.

4.2. The submissions in section 4.1 are translated into a functional criteria as follows:

Functional Factor	Criteria Description	Weighting (%)
Capacity and capability	Provide a curriculum vitae of the facilitator which will demonstrate experience in facilitating risk workshops for entities of a similar size to the SABS. The curriculum vitae should be supported by the following: • Evidence of accreditation and membership to professional bodies relevant to risk management. • Certificates of academic qualifications, and • Any other supporting documents deemed necessary.	25
Presentation	A presentation of not more than twenty (20) minutes to the Executive Committee of the SABS to demonstrate understanding of the scope and its proposed execution plan	20
Client References	Provide a minimum of three (3) contactable reference letters from current/recent (not older than 3 years) clients, where similar services were rendered. The reference letters must be on a company letter head and include the following: • Brief description of services rendered. • Duration of contract, • Quality of service. • Company address and contact person. • View on performance; and • Level of customer satisfaction.	25
Workshop Programme	A proposed programme for the workshop that addresses the scope of work.	30
Total Points for Functionality		100