

COUNCIL RESOLUTION NUMBER 05/12/2014

RAMOTSHERE MOILOA LOCAL MUNICIPALITY



RISK MANAGEMENT IMPLEMENTATION PLAN 2014/2015 FINANCIAL YEAR

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Contents

1. Objective
2. Approach
3. Detailed Risk Management Implementation Plan

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1. OBJECTIVE

The primary objective of the risk management Implementation plan is to facilitate the execution of risk management in the Municipality.

The risk Management implementation plan is prepared to give effect to the implementation of the Risk Management Policy and Strategy and sets out all risk management activities planned for the 2014/2015 financial year, and the need to develop these implementation plan was motivated principally by the following prescripts:

- Section 166(1) of the Municipal Finance Management Act No 56 of 2003, which requires that the Accounting Officer for a municipality must ensure that the Municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control.
- Section 3.2.1 of the Treasury Regulations, which requires that the Accounting Officer must facilitate a risk assessment to determine the material risks to which the institution may be exposed and to evaluate the strategy for managing these risks.

2. APPROACH

The development of the risk management implementation plan has taken into consideration the review of the following:

- the risk management strategy;
- the risk management policy
- the fraud prevention plan and
- available resources;

3. DETAILED RISK MANAGEMENT IMPLEMENTATION PLAN

The detailed risk management implementation plan is included below.



4


| Activity/ Planned Action | Responsible official | Due Date | Outputs/Outcomes | Achievement | Reason for deviation and plans to address deviation |
|---|---------------------------------|------------------|--|------------------|---|
| RISK PLANNING | | | | | |
| Detail Risk Management Implementation Plan | - Risk Manager | 31 December 2014 | Approved risk management implementation plan | | |
| RISK PROFILE | | | | | |
| Risk profile reviewed: | - Risk Manager | 31 December 2014 | Approved risk management profile Implementation of all the Risk Profiles. | Not yet Achieved | |
| <ul style="list-style-type: none"> • Risk Management Policy • Risk Management Strategy • Risk Management Steering Committee Charter • Risk Management Assurance Plan • Risk Management Tolerance Table • Risk Management Rating Tables • Risk Management Categories • Fraud Prevention Plan • Whistle Blowing Plan • Risk Identification and assessment reports | | | | | |
| Conduct strategic risk assessment and | - Risk Manager -All managers | 31 March 2015 | Approved strategic risk assessment report and Risk Register developed | | |
| Conduct operational, Fraud and Information Technology risk assessment | - Risk Manager -All managers | 31 January 2015 | Approved operational risk assessment report and Risk Register developed | | |

| Activity/ Planned Action | Responsible official | Due Date | Outputs/Outcomes | Achievement | Reason for deviation and plans to address deviation |
|---|---|---------------|---|-------------|---|
| RISK MONITORING AND REPORTING | | | | | |
| Monitoring the effectiveness of mitigation strategies or treatment plans | - Risk Manager -Responsible managers | Quarterly | Reports on risk mitigation strategies(risk register) | | |
| Reporting risk management activities to the Audit and Risk Management Committee | - Risk Manager | Quarterly | Progress report on risk implementation plan | | |
| Establishing the Risk Management Steering Committee. | Municipal Manager | 31 March 2015 | Appointment of the Risk Management Steering Committee | | |
| AWARENESS AND TRAINING | | | | | |
| Communicating risk profile to Council's officials. | - Risk Manager | On Going | Develop the risk flyers to all staff members. Access to risk management documents/ policies Publicize the policy on the municipality intranet | | |
| Conduct risk management awareness | - Risk Manager | On Going | Understanding of the benefits and values of risk management | | |

| Activity/ Planned Action | Responsible official | Due Date | Outputs/Outcomes | Achievement | Reason for deviation and plans to address deviation |
|--|----------------------|-------------------|---|-------------|---|
| AWARENESS AND TRAINING (CONT ...) | | | | | |
| Conduct Fraud Awareness | -Risk Manager | On-Going | Understanding fraud and corruption prevention, detection measures, whistle-blowing and reporting lines | | |
| Arrange for training of the Risk Coordinators members; risk manager and on the risk management | - Risk Manager | On Going | Conducting management workshop. Creating awareness and understanding of risk management Level 1-3 Level 4-6 | | |
| Conduct Risk and Fraud Awareness to newly appointed officials including contract officials | - Risk Manager | As per invitation | Awareness and understanding of risk management and corruption fraud and corruption | | |
| Personal development on risk management: | - Risk Manager | | As per personal development plan agreed on the Performance Agreement and score Card | | |

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| Activity/ Planned Action | Responsible official | Due Date | Outputs/Outcomes | Achievement | Reason for deviation and plans to address deviation |
|---|----------------------|--|--|--|---|
| MEETINGS | | | | | |
| Attend North –West Provincial Treasury Risk Management Forums | Risk Manager | Quarterly/ as per Invitation | <ul style="list-style-type: none"> -Report on the status of risk management in the Municipality and sharing best practice -Report to the Accounting officer / ARMC on resolutions taken. | <ul style="list-style-type: none"> Risk Management Progress reports | |
| Audit and Risk Management Meetings District Risk Management Committee Forums | | Quarterly As per invitation Quarterly | <ul style="list-style-type: none"> Risk Management Progress reports Risk Management reports | | |

AUDIT IMPROVEMENT PLAN AND OTHER STAKEHOLDERS:

| | | | | |
|---|----------|--------------------------|--|--|
| Facilitate the mitigation of the Audit Findings | On going | Develop the Audit Matrix | | |
| | | | | |

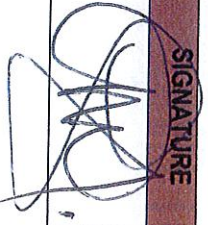
4. PRIMARY CONTACTS

| NAME | DESIGNATION | CONTACT DETAILS |
|---------------|---------------------|-----------------|
| Cedric Mtleni | UM: Risk Management | (018) 642 1081 |

RECOMMENDATION BY THE COUNCIL COMMITTEE

The document was considered by the Council at a meeting that took place on the 17 December 2014. It was resolved to recommend the approval of the risk management work plan.

5. APPROVAL

| DESIGNATION | NAME | SIGNATURE | DATE |
|-------------------|------------|--|------------|
| Municipal Manager | Mr C Maema |  | 18/12/2014 |

6. COUNCIL RESOLUTION

| COUNCIL RESOLUTION NUMBER | DATE |
|---------------------------|------------|
| 05/12/2014 | 18/12/2014 |