

PORTFOLIO COMMITTEE :

MANAGEMENT SERVICES

Chairperson :

Cllr A Komani

Committee Members :

**Ald M Sapepa, Ald N Botha-Guthrie,
Cllrs M Opperman & N Nqinata**

PORTEFEULJEKOMITEE :

BESTUURSDIENSTE

Voorsitter :

Rdl A Komani

Komiteelede :

**Rdh M Sapepa, Rdh N Botha-Guthrie,
Rdle M Opperman & N Nqinata**

MANAGEMENT SERVICES PORTFOLIO COMMITTEE

BESTUURSDIENSTE PORTEFEULJEKOMITEE

19 September 2018

I N D E X

ITEM

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APPLICATIONS FOR LEAVE OF ABSENCE

**STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE
CHAIRPERSON**

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**AGENDA of the
Portfolio Committee : Management Services
19 September 2018
(Also the agenda for the Mayoral Committee Meeting : 26 September 2018)**

**1.
RISK MANAGEMENT IMPLEMENTATION PLAN 2018/2019**

2/B

**A Riddles
27 Augustus 2018**

(028) 313 5044

Corporate Head Office

1. Executive Summary

To obtain Council's approval for the Risk Management Implementation Plan for 2018/2019.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Management Services
Risk Management Unit

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

None

5. Legal Requirements

None

6. Background

In terms of the Risk Management Strategy for 2018/2019, the municipality must develop an implementation plan that must be approved by the Municipal Manager and Council.

A combined implementation plan was developed for the Overberg Risk Management Shared Services Centre, which includes the implementation activities of Overstrand Municipality. The implementation plan was approved by all the Municipal Managers at the DCFTech meeting on 8 June 2018 and signed on 26 June 2018.

The implementation plan was discussed at the Risk Management Committee meeting held on 11 June 2018 and was recommended to Council for final approval.

**AGENDA of the
Portfolio Committee : Management Services
19 September 2018
(Also the agenda for the Mayoral Committee Meeting : 26 September 2018)**

7. Financial Implications

No additional financial implications.

The implementation will be funded from the budget of the Overberg Risk Management Shared Services Centre and operational budgets of municipal departments.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Overberg District Risk Management Implementation Plan
2018/2019

RECOMMENDATION TO THE COUNCIL:

that the Overberg District Risk Management Implementation Plan for 2018/2019
be approved.

RESPONSIBLE OFFICIAL :

A RIDDLES

TARGET DATE FOR IMPLEMENTATION :

27 SEPTEMBER 2018

**AGENDA of the
Portfolio Committee : Management Services
19 September 2018
(Also the agenda for the Mayoral Committee Meeting : 26 September 2018)**

**1.
RISK MANAGEMENT IMPLEMENTATION PLAN 2018/2019**

**2/B
A Riddles (028) 313 5044 Corporate Head Office
27 Augustus 2018**

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
19 SEPTEMBER 2018, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

that the Overberg District Risk Management Implementation Plan for 2018/2019 **be approved.**

RESPONSIBLE OFFICIAL : A RIDDLES

TARGET DATE FOR IMPLEMENTATION : 27 SEPTEMBER 2018



Overberg District Municipality



Overberg Risk Management Shared Services Centre

+27(0)28 313 8000



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U-MASIPALA WANGCAFT AGULHAS

+27(0)28 425 5500

**OVERBERG DISTRICT
RISK MANAGEMENT IMPLEMENTATION PLAN
2018-2019**

COMPILED BY: CHIEF RISK OFFICER (SHARED SERVICES)

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RISK MANAGEMENT IMPLEMENTATION PLAN 2018-2019

1. PURPOSE OF THIS DOCUMENT

This document sets out the annual risk management implementation plan. To illustrate the importance of this document it must be underlined that this Risk Management Implementation Plan was compiled in adherence to the guidelines of National Treasury and in support of good governance principles.

2. INTRODUCTION

The Risk Management Implementation Plan forms part of the Risk Management Framework (Strategy) and describes how the Strategy is to be implemented during the 2018-2019 financial year.

The Risk Management function in the Overberg District operates under a Shared Services Charter. The primary goal of this agreement is to provide standardised competitive integration between people, processes and technology with the aim of continuously improving risk management services.

The municipalities that receive the benefit of this Shared Services Charter are:

- Overberg District Municipality (ODM)
- Cape Agulhas Municipality (CAM)
- Theewaterskloof Municipality (TWK)
- Overstrand Municipality (OVE)
- Swellendam Municipality (SWD)

3. OBJECTIVE

The Risk Management Implementation Plan for the Overberg District was prepared to give effect to the implementation of the Risk Management Framework of each of the municipalities within the district and sets out all the risk management activities planned for the 2018-2019 financial year.

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4. APPROACH

With the development and compilation of the Risk Management Implementation Plan, the following was taken into consideration:

- The Risk Management Strategies within the Overberg District
- The Risk Management Policies within the Overberg District
- The Fraud Prevention Policies & Plans within the Overberg District
- Available Resources

5. DETAILED RISK MANAGEMENT IMPLEMENTATION PLAN

The detailed Risk Management Implementation Plan is included on the pages that follow.




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RISK MANAGEMENT IMPLEMENTATION PLAN 2018-2019

Abbreviations:

MM	Municipal Manager
CRO	Chief Risk Officer
RMC	Risk Management Committee
FARMCO	Fraud and Risk Management Committee
RMU	Risk Management Unit
AC	Audit Committee
IA	Internal Auditors
EMT	Mayco & Top Management (Directors) Team
BCC	Business Continuity Committee
CAP	Combined Assurance Providers
Risk Forum	Risk Owners, Risk Champions & Risk Action Owners
PT	Provincial Treasury
DCFTech	District Coordinating Forum (Technical)

FIRST QUARTER (JULY - SEPTEMBER 2018)




ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Year-end risk carry over process (Final year-end reports and capture carry-over risks for new financial year)	SWD TWK CAM OVE ODM	Annually	14-Jul-18	CRO / RMU
Formulation of Risk Actions for 2018/2019. Facilitated by RMU and with the participation of Risk Action Owners & Risk Champions.	SWD TWK CAM OVE ODM	Annually	31-Jul-18	RMU / Risk Action Owners / Risk Champions

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- Initials "AB" below the signature.

ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Contribute towards internal control processes of compiling Annual Financial Statements and Annual Reports	SWD TWK CAM OVE ODM	Annually	31-Aug-18	CRO
Monitor risk focus areas with the implementation and application of mSCOA	SWD TWK CAM OVE ODM	Monthly	Ongoing	CRO
Formally appoint Risk Champions and Risk Management Committee members (RMC) / Fraud and Risk Management Committee members (FARMCO) and Business Continuity Committee members	SWD TWK CAM OVE ODM	Annually	30-Sep-18	CRO / MM
Identify and arrange training for Risk Forums (Risk Owners, Risk Champions and Risk Action owners)	SWD TWK CAM OVE ODM	Annually	Ongoing	CRO / RMC & FARMCO
Facilitated Monthly Operational & Project Risk Assessments	CAM	Bi-Annual	30-Sep-18	CRO / RMU
Finalised and formalise for first engagements of Business Continuity Structures	SWD TWK CAM OVE	Quarterly	30-Sep-18	CRO / BCC / Risk Champions

ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Monthly monitoring of Risk Action Plans and identification of emanating risks	SWD TWK CAM OVE ODM	Monthly	30-Sep-18	CRO / RMU
Identification and treatment of unforeseen risks (Incident and Emerging risk reporting)	SWD TWK CAM OVE ODM	Monthly	30-Sep-18	CRO / RMC / FARMCO
Attend and participate in quarterly District Risk and Internal Audit Forum and Bi-annual Provincial Risk and Internal Audit Forum	SWD TWK CAM OVE ODM	Quarterly	30-Sep-18	CRO / RMU / IA / PT
Attend quarterly risk management meetings (In terms of the adopted Terms of reference / Charters)	SWD TWK CAM OVE ODM	Quarterly	30-Sep-18	CRO / RMC / FARMCO
Code of Ethics Awareness Campaign Continues (New approach to reach all levels)	TWK CAM OVE ODM	Continuously	Ongoing	CRO / Risk Forum
Attend and participate in District -, Provincial -, National Training and Workshops	SWD TWK CAM OVE ODM	As Requested	30-Sep-18	CRO / Risk Champions



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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Submit the minutes of RMC / FARMCO meetings to the Audit Committee.	SWD TWK CAM OVE ODM	Quarterly	30-Sep-18	CRO / AC / RMC / FARMCO / IA
Combined Assurance Model - updates and reporting (According to approved Combined Assurance Policy Framework)	SWD TWK CAM OVE ODM	Quarterly	30-Sep-18	CRO / RMU / CAP
Submit a quarterly progress report to DCFTech with regards to risk management on the Shared Services Business Model	SWD TWK CAM OVE ODM	Quarterly	30-Sep-18	CRO / DCFTech

SECOND QUARTER (OCTOBER - DECEMBER 2018)

Review strategic / operational residual risk exposures according to risk appetite and tolerance levels	SWD TWK CAM OVE ODM	Annually	30-Nov-18	CRO / RMU
Schedule Second engagement with Business Continuity Committee	SWD TWK CAM OVE	Quarterly	30-Nov-18	CRO / BCC / Risk Champions

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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Alignment of strategic risks with IDP and SDBIP	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / Strategic Services / Risk Champions
Attend and participate in District -, Provincial -, National Training and Workshops	SWD TWK CAM OVE ODM	As Requested	31-Dec-18	CRO / RMU
Submit the minutes of RMC / FARMCO meetings to the Audit Committee.	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / AC / RMC / FARMCO / IA
Start the Review process of Risk Management Compliance Documents (Risk Management Strategy, Risk Management Policy, Risk Management Implementation Plan, Fraud Prevention and Anti-Corruption Strategy, Policy and Plan / Business Continuity Framework & Code of Ethics)	SWD TWK CAM OVE ODM	Annually	31-Dec-18	CRO / RMU / RMC / FARMCO
Develop One-Page Poster on basic principles and tools of risk management as part of training and awareness initiative - To be easily accessible to Council, Senior Management, all other Staff and Audit Committees (Improve Risk Maturity especially i.r.o. quality in risk action responses and decision making at both operational & strategic level)	SWD TWK CAM OVE ODM	Annually	31-Dec-18	CRO
Identify and arrange training for Risk Forums (Risk Owners, Risk Champions and Risk Action owners)	SWD TWK CAM OVE ODM	Annually	Ongoing	CRO / RMC & FARMCO



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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Monitor risk focus areas with the implementation and application of mSCOA	SWD TWK CAM OVE ODM	Monthly	31-Dec-18	CRO
Monthly monitoring of Risk Action Plans and Identification of emanating risks	SWD TWK CAM OVE ODM	Monthly	31-Dec-18	CRO / RMU
Identification and treatment of unforeseen risks (Incident and Emerging risk reporting)	SWD TWK CAM OVE ODM	Monthly	31-Dec-18	CRO / RMC / FARMCO
Attend and participate in quarterly District Risk and Internal Audit Forum	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / RMU / IA / PT
Attend quarterly risk management meetings (In terms of the adopted Terms of reference / Charters)	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / RMC / FARMCO
Code of Ethics Awareness Campaign Continues (New approach to reach all levels)	TWK CAM OVE ODM	Continuously	Ongoing	CRO / Risk Forum

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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Combined Assurance Model - updates and reporting (According to approved Combined Assurance Policy Framework)	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / RMU / CAP
Submit a quarterly progress report to DCFTech with regards to risk management on the Shared Services Business Model	SWD TWK CAM OVE ODM	Quarterly	31-Dec-18	CRO / DCFTech

THIRD QUARTER (JANUARY - MARCH 2019)

Facilitate Annual operational / departmental risk assessments for 2019-2020 financial year	SWD TWK CAM OVE ODM	Annually	31-Mar-19	CRO / RMU / Risk Forum
Facilitate the strategic risk identification and assessment workshops and generate an annual strategic risk report	SWD TWK CAM OVE ODM	Annually	31-Mar-19	CRO / Council / Senior Management
Calculate the cost of control vs the cost of risk / Calculate the financial exposure of risks	SWD TWK CAM OVE ODM	Bi-annually	31-Mar-19	CRO / RMU / Risk Champions

ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Submit the recommendations of reviewed risk management related documents and strategic risk registers to RMC/FARMCO for approval.	SWD TWK CAM OVE ODM	Annually	31-Mar-19	CRO / RMC / FARMCO
Submit the minutes of RMC / FARMCO meetings to the Audit Committee.	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / AC / RMC / FARMCO / IA
Monitor risk focus areas with the implementation and application of mSCOA	SWD TWK CAM OVE ODM	Monthly	31-Mar-19	CRO
Monthly monitoring of Risk Action Plans and identification of emanating risks	SWD TWK CAM OVE ODM	Monthly	31-Mar-19	CRO / RMU
Identification and treatment of unforeseen risks (Incident and Emerging risk reporting)	SWD TWK CAM OVE ODM	Monthly	31-Mar-19	CRO / RMC / FARMCO
Attend and participate in quarterly District Risk and Internal Audit Forum and BI-annual Provincial Risk and Internal Audit Forum	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / RMU / IA / PT

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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Attend quarterly risk management meetings (In terms of the adopted Terms of reference / Charters)	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / RMC / FARMCO
Review Alignment of strategic risks with IDP and SDBIP	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / Strategic Services / Risk Champions
Combined Assurance Model - updates and reporting (According to approved Combined Assurance Policy Framework)	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / RMU / CAP
Submit a quarterly progress report to DCFTech with regards to risk management on the Shared Services Business Model	SWD TWK CAM OVE ODM	Quarterly	31-Mar-19	CRO / DCFTech

FOURTH QUARTER (APRIL - JUNE 2019)

Provide Internal Audit with the approved operational and strategic risk registers for 2018-2019 for Risk Based Audit Plan	SWD TWK CAM OVE ODM	Annually	30-Apr-19	CRO / IA
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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Compile comparison report of generic-based risk register for district for 2018-2019	SWD TWK CAM OVE ODM	Annually	31-May-19	CRO
Submit the recommendations of reviewed risk management related documents and strategic risk registers to Council for approval.	SWD TWK CAM OVE ODM	Annually	30-Jun-19	CRO / RMU
Compile risk management implementation plan for 2018-2019 to be approved by DCFTech	SWD TWK CAM OVE ODM	Annually	30-Jun-19	CRO / DCFTech
Review year-end internal control procedures and demand management process (including performance)	SWD TWK CAM OVE ODM	Annually	30-Jun-19	CRO
Submit the minutes of RMC / FARMCO meetings to the Audit Committee.	SWD TWK CAM OVE ODM	Quarterly	30-Jun-19	CRO / AC / RMC / FARMCO / IA
Perform internal Risk Management maturity assessment on progress of all activities and determine risk profile for 2018-2019	SWD TWK CAM OVE ODM	Annually	30-Jun-19	CRO / RMU


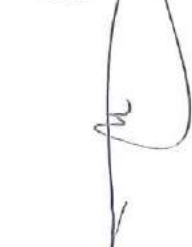




ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Evaluate performance of RMC / FARMCO for the period 2018-2019	SWD TWK CAM OVE ODM	Annually	30-Jun-19	CRO / RMU / RMC / FARMCO
Monitor risk focus areas with the implementation and application of mSCOA	SWD TWK CAM OVE ODM	Monthly	30-Jun-19	CRO
Monthly monitoring of Risk Action Plans and identification of emanating risks	SWD TWK CAM OVE ODM	Monthly	30-Jun-19	CRO / RMU
Identification and treatment of unforeseen risks (Incident and Emerging risk reporting)	SWD TWK CAM OVE ODM	Monthly	30-Jun-19	CRO / RMC / FARMCO
Attend and participate in quarterly District Risk and Internal Audit Forum and Bi-annual Provincial Risk and Internal Audit Forum	SWD TWK CAM OVE ODM	Quarterly	30-Jun-19	CRO / RMU / IA / PT
Attend quarterly risk management meetings (In terms of the adopted Terms of reference / Charters)	SWD TWK CAM OVE ODM	Quarterly	30-Jun-19	CRO / RMC / FARMCO

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ACTION	MUNICIPALITY	FREQUENCY	DUE DATE	RESPONSIBLE PERSON(S)
Combined Assurance Model - updates and reporting (According to approved Combined Assurance Policy Framework)	SWD TWK CAM OVE ODM	Quarterly	30-Jun-19	CRO / RMU / CAP
Submit a quarterly progress report to DCFTech with regards to risk management on the Shared Services Business Model	SWD TWK CAM OVE ODM	Quarterly	30-Jun-19	CRO / DCFTech
<ol style="list-style-type: none"> 1. Support of internal structures to determine responsibilities 2. Provide Assurance on the risk management processes 3. Monitoring of critical risks and its impact 4. Evaluate risk ratings and tolerance levels and give best practice recommendations to Risk Management Committee's 5. Training, Risk awareness culture, effective communication from risk owners to oversight committee's 6. Monitoring of Control Effectiveness and Mitigating Action Plans 7. Continuous risk assessment and reporting 8. Liaison with municipalities 9. Monitoring of risk management processes 10. Maintenance of Risk Registers 11. Facilitate the meetings and procedures regarding risk committees 12. Advisory regarding risk management to municipalities 13. Support to Internal Audit units regarding risk management 	SWD TWK CAM OVE ODM	Continuously	30-Jun-19	CRO / RMU


6. REVIEW OF RISK MANAGEMENT IMPLEMENTATION PLAN


The Risk Management Implementation Plan will be reviewed annually. (Last approved on 09/06/2017 for the 2017-2018 financial year)


7. RECOMMEND BY CHIEF RISK OFFICER


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Chief Risk Officer (Shared Services)


8. APPROVED BY DCFTEch



.....
Municipal Manager
Cape Agulhas Municipality


.....
Municipal Manager
Theewaterskloof Municipality


.....
Municipal Manager
Overberg District Municipality

26-06-2018
.....
Date signed


.....
Municipal Manager
Overstrand Municipality


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Municipal Manager
Swellendam Municipality