

West Coast District Municipality

Risk Management Strategy and Implementation Plan



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ACRONYMS

AC	Audit Committee
AO	Accounting Officer
CAE	Chief Audit Executive
CRO	Chief Risk Officer
ERM	Enterprise Risk Management
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MM	Municipal Manager
RMC	Risk Management Committee
SDBIP	Service Delivery and Budget Improvement Plan

1. INTRODUCTION

West Coast District Municipality has undertaken to embed a culture of Enterprise Risk Management (ERM) within the municipality and to identify, assess, manage, monitor and report risks to ensure the achievement of objectives as identified in the IDP.

2. PURPOSE OF DOCUMENT

The purpose of the risk management strategy is to support the implementation of the IRM policy. This strategy and implementation plan sets out all risk management activities planned for the 2017-18 financial year. This document also provides insight as to how the municipality will implement risk management going forward.

3. RISK MANAGEMENT IMPLEMENTATION

3.1. Reporting Lines

The outsourced risk service provider will report administratively to the Municipal Manager and report quarterly to the Risk Management Committee.

3.2. Risk Reporting

The following risk management reports will be produced:

- (a) The Council will consider risk reports from the Audit Committee and minutes of the Audit Committee meetings, as well as related reports from other assurance providers via the Audit Committee.
- (b) The outsourced risk service provider, in conjunction with the chairperson of the RMC, will prepare a quarterly report to the MM.

This report will contain the following:

- A status report on the progress made against the approved risk implementation plan (**APPENDIX A**);
 - The updated strategic and operational risk registers;
 - All risks that are outside the agreed risk tolerance and risk appetite level;
 - Emerging risks identified; and
 - Any relevant risk management information/intelligence.
- (c) The outsourced risk service provider, in conjunction with the chairperson of the RMC, will prepare a quarterly report to the RMC. The report issued to the MM will form the basis of the report but with a focus on the risks outside risk tolerance and risk appetite levels. The committee should consider additional actions/guidance relating to these risks and obtain agreement on how to proceed with these risks.

- (d) The outsourced risk service provider, in conjunction with the chairperson of the RMC, will prepare a quarterly report to the Audit Committee.

This report will contain the following:

- A status report on the progress made against the approved risk implementation plan;
 - All risks that are outside the agreed risk tolerance and risk appetite levels;
 - Emerging risks identified; and
 - Any relevant risk management information/intelligence.
- (e) The outsourced risk service provider will submit the third quarter risk registers and profiles to Internal Audit for input into the annual operational internal audit plan.
- (f) The outsourced risk service provider will submit relevant risk information to the AG as requested.
- (g) Risk related information requested by any other party requires approval by the MM prior to the information being provided.