

GEORGE MUNICIPALITY

RISK MANAGEMENT OPERATIONAL PLAN: 2023/24



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1. Purpose of the Operational Plan

The Risk Management Operational Plan is a management tool that defines how the various risk management strategies, policies and procedures are to be implemented to address risk faced by the Municipality. It sets out how risk management activities will be performed, recorded, and monitored throughout the year.

2. Monitoring, Controlling and Reporting

The level of risk facing the municipality or on a project will be tracked, monitored, and reported throughout the risk management operational plan.

2.1. Monitoring

The Risk Management (RMC) has the overall responsibility to monitor the various components that made up the Risk Management Plan. Monitoring will include identification of any threats or opportunities that have the potential to impact the success of the plan.

2.2. Controlling

Control over the implementation of the plan will reside with the Risk Management Department who will update the RMC during each RMC meeting.

2.3. Reporting

Quarterly reports on the implementation of the Risk Management Operational Plan will be submitted to the RMC and the Audit Committee (AC).

2.4. Responsibility of Actions

The respective stakeholders are responsible for the implementation of the Risk Management Operational Plan that is outlined below.

3. Approval

The Risk Management Operational Plan shall be approved together with the Risk Management Policy and Strategy. These documents will also be reviewed on a regular basis.

ANNEXURE A: DETAILED OPERATIONAL PLAN

Detailed operational plan to improve risk maturity includes the *recommended* actions:

| MEASURE | ACTION | FREQUENCY | DUE DATE | RESPONSIBLE PERSON(S) |
|--|--|-------------|-----------------|-----------------------|
| HUMAN RESOURCE CAPACITY | Appoint a dedicated Chief Risk Officer/ Consider the placement of the risk management functions | Once-off | 31 July 2023 | MM/ RMC |
| | Formally revise, identify and appoint Risk Champions. | Ongoing | 31 July 2023 | Management/ MM |
| | Facilitate orientation and training for Risk Champions. | Ongoing | 31 Aug 2023 | CRO |
| QUARTERLY MUNICIPAL RISK MANAGEMENT FORUM | Nominate a member and proxy to the forum. | Once-off | 1 July 2023 | MM |
| | Attend meetings (In terms of the forum ToR) | Bi-Annually | CRO/Alternates | CRO/Proxy |
| | Provide feedback to RMC and the AC regarding the outcomes of the CRO Forums and/ or other relevant engagements | Bi-Annually | CRO/ Alternates | CRO/ Proxy |
| STRATEGIC RISK IDENTIFICATION & ASSESSMENT | Arrange a strategic risk identification and assessment workshop. | Annually | 28 Feb 2024 | MM/CRO |
| | Prepare for the workshop, by obtaining the Municipality's strategic objectives. | Annually | 28 Feb 2024 | CRO |
| | Send notification of the workshop to the various department heads. | Annually | 28 Feb 2024 | CRO |
| | Send preparation packs. | Annually | 28 Feb 2024 | CRO |
| | Facilitate the strategic risk identification and assessment workshop. (Inherent & residual risk assessment) | Annually | 31 March 2024 | CRO |

ANNEXURE A: DETAILED OPERATIONAL ACTION PLAN

| MEASURE | ACTION | FREQUENCY | DUE DATE | RESPONSIBLE PERSON(S) |
|--|--|-----------|---------------|-----------------------|
| | Ensure that all risks, controls, risk owners, risk responses and actions and dates are captured. | Annually | 31 March 2024 | CRO |
| | Ensure that risks are rated fairly. | Annually | 31 March 2024 | CRO |
| | Generate a strategic risk report. | Annually | 31 March 2024 | CRO |
| | Submit the strategic risk report to the risk management oversight committee. | Annually | 30 April 2024 | CRO/ RMC |
| | Submit the minutes of the risk management oversight committee meeting to the AC. | Annually | 31 May 2024 | CRO/AC |
| | Submit the report to the Municipal Manager and the various department heads. | Annually | 30 June 2024 | CRO |
| | Submit the report to Council. | Annually | 30 June 2024 | CRO |
| OPERATIONAL RISK IDENTIFICATION & ASSESSMENT | Arrange operational risk identification & assessment workshops with the various departments. | Annually | 28 Feb 2024 | MM/CRO |
| | Prepare for the workshop, by obtaining the objectives of each department etc. | Annually | 28 Feb 2024 | CRO |
| | All Municipal Directorates: | | | |
| | Facilitate the operational risk identification and assessment workshop. (Inherent & residual) | Annually | 28 Feb 2024 | Risk Champions/CRO |
| | Ensure that all risks, controls, risk owners, risk responses and actions and dates are captured. | Annually | 28 Feb 2024 | CRO |
| | Ensure that risks are rated fairly. | Annually | 28 Feb 2024 | CRO |

ANNEXURE A: DETAILED OPERATIONAL ACTION PLAN

| MEASURE | ACTION | FREQUENCY | DUE DATE | RESPONSIBLE PERSON(S) |
|------------------------------|---|-----------|---------------|--|
| | Generate an operational risk report for the directorates, highlighting the high risks. | Annually | 31 March 2024 | CRO |
| | Submit the report to the risk management oversight committee. | Annually | 30 April 2024 | CRO/RMC |
| | Submit the minutes of the risk management oversight committee meeting to the AC. | Annually | 30 June 2024 | CRO/AC |
| OPERATIONAL RISK REGISTER | Consolidate the various risk identified by the Risk Champions. | Annually | 31 April 2024 | CRO |
| | Provide Internal Audit with the approved operational risk register upon request. | Annually | 31 April 2024 | CRO/IA |
| INFORMATION & COMMUNICATION | Communicate progress of the Risk Management Implementation Plan and any changes to the plan to the MM, Risk Management Oversight Committee (RMC) and AC). | Quarterly | Quarterly | CRO/MM/ Risk Management Oversight Committee (RMC & AC) |
| Risk Management Governance | Provide guidance and assist Management with the review of the relevant Risk Management Policies and other related risk documents | Annually | 30 June 2024 | CRO/ Management |
| | Establish a risk universe | Annually | 30 June 2024 | CRO/ Management |
| EVALUATION OF THE ERM SYSTEM | Audit of risk management effectiveness. | Annually | 30 June 2024 | Internal Audit |
| TRAINING & SUPPORT | Identify training interventions for the CRO and his/her staff (if any). | Ongoing | 30 June 2024 | MM/CRO |
| | Attendance to training and workshops. | Ongoing | 30 June 2024 | CRO |
| OTHER | Reviewed the Business Continuity Framework | Annually | 30 June 2024 | CRO |

ANNEXURE A: DETAILED OPERATIONAL ATION PLAN

| MEASURE | ACTION | FREQUENCY | DUE DATE | RESPONSIBLE PERSON(S) |
|---------|--------------------------------------|-----------|--------------|-----------------------|
| | Facilitate Risk Management Awareness | Ongoing | 30 June 2024 | CRO |

APPROVAL

| Version | Date |
|---|--------------|
| Revised and accepted by Risk Management Committee | 15 May 2023 |
| Revised and approved by Executive Mayoral Committee | 19 June 2023 |

As approved by Executive Mayoral Committee Meeting which was held on 19 June 2023


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Municipal Manager: Dr M Gratz