



# Central Karoo District Municipality

## Top Strategic Risk Register

Risk Appetite = 40

	Risk	Fraud risk (yes/no)	Section	Directorate	Impact	Likelihood	Inherent risk rating	Level of Control	Control Effectiveness (for risks within Municipality's control)	Residual Risk	Responsible Person	Existing Controls in Place	Control Weaknesses	Corrective actions necessary	Due Date	Status	0 = VERY GOOD 0.2 = GOOD 0.4 = SATISFACTORY 0.6 = WEAK 0.8 = UNSATISFACTORY		
1	The potential loss of income with the transfer / loss of the Roads function	No	Office of the Municipal Manager	Office of the Municipal Manager	10,00	10,00	100,00	Low	0,8	80,0	Municipal Manager	Annual review of the MOA	None	None	Annually	MOA is reviewed on an Annual basis			
2	Negative impact of the continued drought in the Region	No	Office of the Municipal Manager	Office of the Municipal Manager	10,00	10,00	100,00	Low	0,8	80,0	Municipal Manager	Approved Drought Recovery Action Plan	Under spending of drought relieve funding	Revive Drought Committees, Review MOA between the Department of Local Government and Municipalities	ongoing	Non-functional Drought Committees, underspending of funding			
3	Continued financial sustainability	No	All Sections	All Directorates	10,00	10,00	100,00	Medium	0,6	60,0	All HOD's	Long term financial plan in place	Implementation of the plan remains a challenge	1. To search government sphere for alternative funding for specific projects 2. Proper medium- and long-term planning to ensure key focus areas are adequately budgeted for 3. Stringent cost containment measures 4. Implementation of Relieve policy 5. Forming of strategic partnerships with governmental spheres, private sector and other stakeholders with limited funding from the Municipality	Ongoing	Cost containment measures in place and Municipal policies aligned in this regard			
4	Irregular, unauthorised, fruitless and wasteful expenditure	Yes	All Sections	All Directorates	10,00	10,00	100,00	Medium	0,6	60,0	All HOD's	Policies in place, Functional MPAC, Register of fruitless, irregular and wasteful expenditure	None	Establishing of functional Disciplinary Committee to ensure proper consequence management	Ongoing	Established of register for fruitless, irregular, wasteful expenditure Unauthorised expenditure: CFO appointed to monitor			

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																authorisation of expenditure			
5	Ineffective functioning of Council	No	Committee Services	Corporate and Strategic	10,00	10,00	100,00	Medium	0,6	60,0	Director: Corporate and Strategic Services	Approved calendar of Council meetings	Calendar not always adhered to	Adherence and implementation of calendar of Council meetings	Ongoing	Calendar annual reviewed			
6	Liability of the CKDM in terms of the Roads function	No	Office of the Municipal Manager	Office of the Municipal Manager	10,00	10,00	100,00	Medium	0,6	60,0	Municipal Manager	Insurance on vehicles of Roads function	None	Review of outstanding investigations into potential cases of negligence, Review of Disciplinary procedures and policies	Ongoing	Insurance paid on a monthly basis			
7	Lack of budget to fulfil Constitutional mandate in relation to LED and Tourism	Yes	Strategic Support Services	Office of the Municipal Manager	10,00	10,00	100,00	Medium	0,6	60,0	Municipal Manager	Approved LED Strategy	Lack of funding to implement strategy	Budget for the implementation of LED Strategy, apply for funding from National and Provincial stakeholders, Appoint LED Officer	Ongoing	LED Strategy in place			
8	Failure to fully implement the MSCOA Regulations	Yes	Budget office	Finance	10,00	10,00	100,00	Medium	0,6	60,0	Director: Financial Services	EMS in place in line MSCOA regulations	All Modules of current EMS not functional	Ensure complete functionality of EMS	Ongoing	EMS in place			
9	Failure to prevent theft, fraud and corruption	Yes	Budget office	Finance	10,00	10,00	100,00	High	0,6	60,0	Director: Financial Services	Fraud and Corruption Prevention Policy, Whistle blowing Policy, Functional Internal Audit and Audit Committee, MPAC	Implementation of policies and application of consequence management remains a challenge	Effective implementation of existing policies and development of consequence management policy	Ongoing	Policies and committees in place to provide oversight			
10	Lack of consequence Management	Yes	All Sections	All Directorates	10,00	10,00	100,00	Medium	0,6	60,0	All HOD's	Established Disciplinary Board, MPAC, Audit Committee, Fraud and Corruption Prevention Policy	Cases not referred to Disciplinary Board	All relevant cases to be referred to the Disciplinary Board for handling	Ongoing				
11	High wage bill in relation to Municipal budget	No	All Sections	All Directorates	10,00	9,00	90,00	Medium	0,6	54,0	All HOD's	Annual review of organogram	None	None	Annually	The implemented of the approved organogram for the financial year			

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12	Failure to attract and retain skilled professionals	No	Human Resource Management	Corporate and Strategic	10,00	9,00	90,00	Medium	0,6	54,0	Director: Corporate and Strategic Services	Approved Scarce skills retention policy in place	Implementation of policy remains a challenge	Obtain funding for the filling of critical posts	Ongoing	Approved Policy in place			
13	Inadequate budget to fund the ICT function	No	ICT	Corporate and Strategic	8,00	10,00	80,00	Medium	0,6	48,0	Director: Financial Services	Annual review of Budget	ICT not a Budget priority	Review Budget allocation in terms of ICT	Annually	Budget annually reviewed			
14	Excessive use of service providers	Yes	All Sections	All Directorates	8,00	9,00	72,00	Medium	0,6	43,2	All HOD's	Skills transfer clause in all contracts with Service provider, regular skills training for existing staff	Effective monitoring of skills transfer, budget not always adequate for skills training needs	Ensure that Legal Services and SCM monitor the transfer skills, Quarterly evaluation of service providers, Seek additional funds from LGSETA and other stakeholders for skills training, Improved contract management by user departments	Ongoing	Skills transfer clause inserted in all contracts with Service Providers			
15	Lack of adequate capacity in the Department perform the Environmental Health function	No	Environmental Health Services	Corporate and Strategic	10,00	10,00	100,00	Medium	0,4	40,0	Director: Corporate and Strategic Services	Annual review of organogram to ensure vacant are identified and filled accordingly	High staff turnover	Scarce Skills Retention Policy to be implemented	Ongoing				
16	Lack of adequate capacity to perform the Disaster Management function	No	Disaster Management	Corporate and Strategic	10,00	10,00	100,00	Medium	0,4	40,0	Director: Corporate and Strategic Services	Annual review of organogram to ensure vacant are identified and filled accordingly	Lack of attraction of scarce skills	Scarce Skills Retention Policy to be implemented	Ongoing				
17	Failure to comply to Grant conditions	Yes	Budget office	Finance	10,00	10,00	100,00	Medium	0,4	40,0	Director: Financial Services	Regular monthly reporting as per Dora, Regular Grant Audits conducted by Internal Audit	None	None	Ongoing	Regulating reporting and compliance to the Grant conditions			
18	Lack of PDO Compliance	No	All Sections	Corporate and Strategic	10,00	10,00	100,00	High	0,4	40,0	Manager: Strategic Services	Dedicated PMS Officer, Reviewed PMS Policy, Regular Training and development wrt PDO Compliance, Quarterly Audit and Performance Committee, Quarterly	None	None	Ongoing	Policies and committees in place to provide oversight			

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												Performance Audits							
19	Lack of Contract Management	Yes	All Sections	All Directorates	10,00	10,00	100,00	Medium	0,4	40,0	All HOD's	SLA's and MOA's in place with Service Providers, Quarterly review of Service provider performance	None	None	Ongoing	Systems and processes in place			
20	Lack of data security and management	Yes	All Sections	All Directorates	10,00	10,00	100,00	Medium	0,4	40,0	All HOD's	Systems Security Controls Policy, Backup Recovery Policy, DR Plan, User Access Management Policy, Dedicated ICT coordinator	Lack of funding for adequate implementation of Policies	Increased Budget for the implementation	Ongoing	Policies and systems in place			
21	Lack of OHS compliance	No	All Sections	All Directorates	10,00	8,00	80,00		0,4	32,0	All HOD's	Dedicated OHS Officer, Regular OHS meetings at various levels, OHS Policy, Quarterly OHS reports, Regular OHS Audits	Outdated OHS Policy	Review of OHS Policy, Ensure regular OHS meetings take place					
22	Non-compliance to SCM Regulations	Yes	Budget office	Finance	10,00	9,00	90,00	High	0,2	18,0	Director: Financial Services	Approved SCM Policy, Bid Committees functional, Quarterly Reporting to Council	None	None	Annually, Quarterly	Policies, Committees and Reporting in place			
23	Failure to comply with approved equity targets	No	Human Resource Management	Corporate and Strategic	4,00	9,00	36,00	Medium	0,4	14,4	Director: Corporate and Strategic Services	Approved Employment Equity plan in place	None	None	Ongoing	Plan reviewed annually			

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24	Failure to comply with Waste Management legislation	No	Strategic Support Services (Project Management)	Office of the Municipal Manager	4,00	6,00	24,00	High	0,4	9,6	Municipal Manager	Approved Waste Management Plan, Designated Waste Management Officer	None	None	Ongoing	Plan in place, Official appointed			
25	Failure to comply with Air Quality legislation	No	Environmental Health Services	Corporate and Strategic	4,00	6,00	24,00	High	0,4	9,6	Director: Corporate and Strategic Services	Approved Air Quality Plan, Designated Air Quality Officer	None	None	Ongoing	Plan in place, Official appointed			