

uMzinyathi District Municipality



Section B (i) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Likelihood	Impact	Inherent Risk	Control Effectiveness (Current)	Control Effectiveness (Desired)	Residual Risk (Current)	Residual risk (Desired)	Residual Gap
Cultural Risks												
Business Support: Council Support	Corporate Services	Ineffective secretariat support to Council.	Failure to provide information to the relevant officials. Lack of monitoring of the implementation of Council resolutions.	Failure to implement Council resolutions. Poor service delivery.	80% Likely	100 Critical	80 Critical	20 Weak	45 Satisfactory	64 Critical	44 Major	20 Minor
Business Support: IT Website Management	Corporate Services	Unavailability /inaccurate information on the website.	Failure to provide information to the information technology (IT) unit. Lack of control register on things that should go on the website.	Non compliance with Legislation and Policies.	80% Likely	100 Critical	80 Critical	20 Weak	45 Satisfactory	64 Critical	44 Major	20 Minor
Economic Development: Tourism	Finance	Inability to attract tourism to the District.	Lack of coordination of stakeholders. Poor infrastructure.	Negative impact on economic development in the area. Migration of investors and residents. High rate of poverty and unemployment.	80% Likely	60 Major	48 Major	20 Weak	45 Satisfactory	38 Major	26 Moderate	12 Minor
Environmental Management: Compliance	Development Planning	Failure to comply with Environmental Management Act.	Lack of understanding of the act. Lack of capacity. Lack of Municipal By-Laws.	Environmental degradation. Legal implications.	80% Likely	100 Critical	80 Critical	10 Unsatisfactory	20 Weak	72 Critical	64 Critical	8 Insignificant
Financial Management: SCM Tenders	Finance	Delays in procurement of goods and services.	Poor planning. Lack of co-operation from other departments.	Delays in completion of projects. Tarnished image of the Municipality. Financial loss.	80% Likely	100 Critical	80 Critical	70 Good	90 Very Good	24 Moderate	7 Insignificant	16 Minor

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Disaster Recovery/Business Continuity Risks												
Community Services: Disaster Management	Development Planning	Inability to respond in the event of a disaster.	Lack of resources. Lack of implementation of a Disaster Recovery Plan. Lack of co-operation between District and Local Municipalities.	Loss of property/life. Tarnished image of the Municipality.	80% Likely	100 Critical	45 Major	70 Good	90 Very Good	13 Minor	4 Insignificant	9 Insignificant
Financial Risks												
Financial Management: Funding Allocations	Finance	Insufficient funding available for key service delivery areas.	Dependence on the national fiscal allocation. Rural Municipality's difficulty to generate revenue on its own.	Poor service delivery.	80% Likely	100 Critical	45 Major	45 Satisfactory	70 Good	25 Moderate	13 Minor	11 Minor
Financial Management: Compliance to Legislation	Finance	Non-compliance with Legislation.	Poor planning. Conflict of interest. Gaps in internal controls.	Fraud and corruption. Financial loss. Irregular and / or unauthorised expenditure. Negative Auditor General's opinion.	80% Likely	100 Critical	80 Critical	45 Satisfactory	70 Good	44 Major	24 Moderate	19 Minor
Governance, Compliance/Regulatory and Reputational												
Business Process: Information Security	Office of the Municipal Manager	Inappropriate disclosure of critical information to outsiders by staff and Councillors.	Lack of ethics and integrity.	Compromised integrity and credibility of the Municipality.	80% Likely	100 Critical	65 Critical	65 Good	90 Very Good	22 Moderate	6 Insignificant	16 Minor

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Health and Safety / Security Risks												
People: Employee Assistant Programme	Development Planning	Failure to implement employee assistant programme.	Lack of awareness.	Low staff morale. High rate of absenteeism.	80% Likely	60 Major	39 Major	10 Unsatisfactory	90 Very Good	35 Moderate	3 Insignificant	31 Moderate
People: Occupational Health and Safety Act	Development Planning	Failure to adhere to Occupational Health and Safety Act.	Lack of understanding by staff.	Injury or death on duty. Loss of or damage to property. Financial loss due to litigations.	80% Likely	60 Major	39 Major	45 Satisfactory	70 Good	21 Moderate	11 Minor	9 Insignificant
Human Resources Risks												
People: Attraction and Retention	Corporate Services	Failure to attract and retain scarce/ critical skills.	Geographical location. Unattractive remuneration. Non implementation of the Retention Policy.	Poor service delivery. High staff turnover.	100%Certain	100 Critical	70 Critical	20 Weak	45 Satisfactory	56 Major	38 Major	17 Minor
People: Overtime Management	Corporate Services	Abuse of overtime. Excessive use of overtime.	Poor planning. Lack of accountability by management. Shortage of staff.	Wasteful expenditure. Audit queries. Labour disputes.	100%Certain	100 Critical	63 Critical	40 Satisfactory	65 Good	37 Major	22 Moderate	15 Minor

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Infrastructure Risks												
Water Services: Water Sources	Technical Services	Unreliable and / or scarce raw water source.	Adverse weather conditions. Topography of the Municipality. Low ground water levels (boreholes). High cost of bulk infrastructure.	Poor service delivery. Water borne diseases.	100%Certain	100 Critical	100Critical	20 Weak	45 Satisfactory	80 Critical	55 Major	24 Moderate
Intergovernmental and Interdepartmental Co-ordination												
Business Process: Intergovernmental/Departmental Cooperation	Technical Services	Section 139 intervention.	Poor management at uThukela water.	Delays in implementation of Municipal projects. Poor service delivery.	100%Certain	60 Major	60 Major	10 Unsatisfactory	20 Weak	54 Major	48 Major	6 Insignificant

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Process/Operational Risks												
Business Process: Council Oversight	Office of the Municipal Manager	Ineffective oversight by Councillors.	Lack of training and capacity.	Poor service delivery.	80% Likely	100 Critical	45 Major	20 Weak	45 Satisfactory	36 Major	25 Moderate	11 Minor
Business Support: Fleet Management	Corporate Services	Inadequate fleet management services.	Poor planning of itinerary/ travelling schedule. Poor management.	High cost of maintenance. Financial loss.	100% Certain	100 Critical	100 Critical	45 Satisfactory	70 Good	55 Major	30 Moderate	25 Moderate
Business Support: Registry/Records Management	Corporate Services	Ineffective records management.	Lack of efficient use of filing system. Lack of accountability. Lack of understanding.	Loss of important information. Auditor General's queries. Failure to undertake actions.	100% Certain	100 Critical	70 Critical	40 Satisfactory	70 Good	42 Major	21 Moderate	20 Minor
Project Risks												
Infrastructure: Project Management	Development Planning	Failure to monitor projects effectively.	Lack of proper monitoring.	Failure of projects. Wasteful expenditure. Poor service delivery.	80% Likely	100 Critical	56 Major	20 Weak	45 Satisfactory	44 Major	30 Moderate	14 Minor
Strategic and Service Delivery Risks												
Business Process: Planning and Development Act	Development Planning	Non-compliance with the Planning and Development Act.	Lack of understanding on provision of Planning and Development Act.	Poor service delivery. Financial implications. Legal claims.	80% Likely	60 Major	48 Major	45 Satisfactory	70 Good	26 Moderate	14 Minor	12 Minor

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Technological and System Risks												
Infrastructure: Municipal Facilities Maintenance	Technical Services	Inability to maintain Municipal facilities (creches, halls, sports fields, libraries).	Lack of implementation of the Maintenance Plan. Insufficient resources.	High maintenance costs. Loss of revenue. Poor service delivery.	80% Likely	100 Critical	80 Critical	45 Satisfactory	70 Good	44 Major	24 Moderate	19 Minor