



Saldanha Bay Municipality

Enterprise Risk
Management Policy

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The Accounting Authority / Officer has committed Saldanha Bay Municipality to a process of risk management that is aligned to the principles of good corporate governance, as supported by the **Public Finance Management Act (PFMA), Act 1 of 1999 as amended by Act 29 of 1999 / Municipal Finance Management Act (MFMA), Act no 56 of 2003.**

Risk management is recognised as an integral part of responsible management and the Saldanha Bay Municipality therefore adopts a comprehensive approach to the management of risk. The features of this process are outlined in Saldanha Bay Municipality's Risk Management Strategy. It is expected that all departments / sections, operations and processes will be subject to the risk management strategy. It is the intention that these departments / sections will work together in a consistent and integrated manner, with the overall objective of reducing risk, as far as reasonably practicable.

Effective risk management is imperative to Saldanha Bay Municipality to fulfill its mandate, the service delivery expectations of the public and the performance expectations within Saldanha Bay Municipality.

The realisation of our strategic plan depends on us being able to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Sound management of risk will enable us to anticipate and respond to changes in our service delivery environment, as well as take informed decisions under conditions of uncertainty.

We subscribe to the fundamental principles that all resources will be applied economically to ensure:

- The highest standards of service delivery;

- A management system containing the appropriate elements aimed at minimising risks and costs in the interest of all stakeholders;
- Education and training of all our staff to ensure continuous improvement in knowledge, skills and capabilities which facilitate consistent conformance to the stakeholders expectations; and
- Maintaining an environment, which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

An entity-wide approach to risk management will be adopted by Saldanha Bay Municipality, which means that every key risk in each part of Saldanha Bay Municipality will be included in a structured and systematic process of risk management. It is expected that the risk management processes will become embedded into Saldanha Bay Municipality's systems and processes, ensuring that our responses to risk remain current and dynamic. All risk management efforts will be focused on supporting Saldanha Bay Municipality's objectives. Equally, they must ensure compliance with relevant legislation, and fulfill the expectations of employees, communities and other stakeholders in terms of corporate governance.

The risk policy statement shall be reviewed annually to reflect the current stance on risk management. Furthermore, this policy statement should be read with the supported and approved Risk Management Strategy for a more holistic view.

Every official has a part to play in this important endeavour and we look forward to working with you in achieving these aims.

This policy will be presented to the _____ on _____
_____ and implemented from _____ 2010.

Supported by: _____
Municipal Manager Date

Approved by: _____
Council: Mayor Date