



STRATEGIC RISK REGISTER 2024/2025 FY

TOP 5 STRATEGIC RISKS					Consolidated Inherent Risk Assessment			CONTROL EFFECTIVENESS ASSESSMENT			Residual Risk Factor			RISK IMPLEMENTATION PLAN			
Risk No.	Risk Name	Risk Description	Root Causes	Risk Consequences	Impact Value (1-5)	Likelihood Value (1-5)	Inherent Risk Value	Current Risk Controls	Control Effectiveness	Residual Risk Factor	Residual Risk Value	Risk Owner	Additional Action to Improve the Management of the Risk	Timeline	Action Owner(s)		
STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY																	
SR 01	Economic development and inclusive growth	Inability to retain, and attract investment into the City and stimulate the local economy.	1)Lack of BCMM investment strategy 2) Long turnaround times affect the costs of doing business.(fragmented approach/poor internal coordination) 3) Delayed decision making 4) Limited budget to stimulate economic development. 5) Unreliable energy supply (load-shedding) 6) Aging infrastructure and no significant investment to maintain the existing facilities. 7) Facilities and public amenities not meeting the required standards and thus not competitive to attract games. 8)Budget not deliberately addressing community development and leisure to increase the revenue base.	1)Loss of revenue for the Metro 2) Stagnant economic growth 3) Increase in unemployment 4) Outward migration of critical skills 5) Increase in social ills	4	5	20	1. Implementation of programmes to attract new investors and retain existing ones. 2) Exploration of new alternative opportunities. 3) Clear business plans in place for skills development and capacity building programmes for identified sectors. 4) Buffalo City Metro Development Agency established to drive development of key tourism and infrastructure programmes 5) Support to ELIDZ for investment promotion. 6) Metro Growth and Development Strategy (MGDS) and other sector plans in place 7) Sectoral forums in place and functional 9) "Invest Buffalo City" Advisory Committee and Investment Portal in place and functional. 10) Approved partnerships in place with key institutions e.g. ECDC, Chamber of Business, active support from ELIDZ etc. 11) Implementation of Small Business Development Support Services including Informal Sector	Weak	80%	16	HOD: EDA , HOD: SPORT & HEAD EPMO	1) Develop a master plan for the expansion of the Industrial Parks Revitalization Programme to other areas within the Metro. 2) Strengthen existing partnerships and forge new partnerships to accelerate economic development initiatives 3)Using public amenities/tourism for economic recovery.(Swimming Gallas,upgrades and refurbishment of John Harrison Swimming pool) 4) Enter into three year partnership for sport development. 5)Development of city-wide economic strategy: 6)Skills partnerships with institutions of higher education	1) 30 June 2025 2) 30 June 2025 3) 30 June 2025 4) 30 Sep 2024 5) Quarterly reporting on progress	1) HOD: EDA 2) HOD: EDA 3) HOD: Sport 4) HOD: Sport 5) HOD: EDA		
STRATEGIC OUTCOME 2: A GREEN CITY																	
SSR02	Climate Change Impacts and Disaster management	Inadequate response & preparedness to disaster risk management and future climate change impacts.	1) Inadequate planning and budgeting for the implementation of climate change and disaster risk management programs 2) Inadequate compliance monitoring and enforcement of air quality legislative requirements. 3) Great emphasis on post-disaster response instead of prevention and mitigation 4) Disaster Risk Management is not mainstreamed in BCMM. 5) Lack of the scientific risk assessment. 7) Outdated disaster risk management policy. 8) Non-resilient infrastructure to disaster risks and climate change.	1) Negative short and long-term environmental and socio-economic impacts 2) Tarnished image of the city 3) Damage to properties and livelihoods, injuries and deaths 4) Litigation and claims	5	4	20	1)Climate risk and vulnerability assessment conducted. 2) Integrated environmental management plan 3) Coastal management program 4) Air quality management plan(Due for review) 5) Climate change strategy 6) Integrated waste management plan(approved) 7) Mapping of vulnerable coastal areas 8) Integrated spatial development plan 9) Wetlands report 10)Disaster management plan 11. Enforcement of By-Laws	Weak	80%	16	HOD:SOLID WASTE & PUBLIC SAFETY & EMERGENCIES	1) Review the climate change strategy and action plan. 2) Implement climate change mitigation and adaptation programs 3) Conduct heat mapping campaign 4) Finalisation of installation of air quality monitoring station in the Midland region. 5) Develop Air Quality By-laws 6) Develop and implement a strategy to address internal audit findings on institutional disaster Management needs included in a strategy 7) Review of the disaster risk management policy framework (2nd phase to commence once reviewal is completed) 8) Develop disaster risk management information system)	1) 30 June 2025 2) 30 June 2025 3) 30 June 2025 4) 30 June 2025 5) 30 June 2025 6) 30 June 2025 7)30 June 2025 8) 30 June 2025	1)HOD: Solid Waste 2)HOD: Solid Waste 3)HOD: Solid Waste 4)HOD: Solid Waste 5)HOD: Solid Waste 6) Public Safety & Emergenices 7) Public Safety & Emergenices 8) Public Safety & Emergenices		

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SR03	Environmental protection & conservation	Inadequate cleanliness of the City including beaches and poor maintainance of public parks	1) Inadequate number of waste management facilities that are accessible to the communities. 2) Landfill sites that are not in proximity to waste-generating sources 3) Urbanization resulting in the increasing rate of informal settlements. 4) Lack of maintenance of private vacant land resulting in increased illegal dumping. 5) Inadequate enforcement and contravention of by-laws.	1) Non compliance with collection standard 2) Environmental and health related hazards	4	4	16	1) SOPs for solid waste 2) Revised Refuse collection schedules for all three regions 3) Establishment of the integrated rapid response team 4) Mapping out illegal dump hotspots and clearing thereof. 5) Partnerships forged with the external stakeholders 6) Waste Management plan. 7) Maintenance plan for parks and public spaces.	weak	80%	12.8	HOD: SOLID WASTE & HOD SPORT	1) Implementation of an Integrated Waste Management Plan (IWMP) 2) Construction,establishment and upgrading of waste management facilities. 3) Implement a community-based approach for integrated waste management, greening, and beautification of the City. 4) Identification and clearing of illegal dumping hotspots. 5) Training and designation of peace officers for enforcement of by-laws.(Public safety & Emergency services). 6) Upgrading and development of public parks(Sports, Recreation & community development).	1) 30 June 2025 2) 30 June 2025 3) 30 June 2025 4) As and when identified. 5) 30 June 2025 6) 30 June 2025	1) HOD: Solid waste and environmental services. 2) HOD: Solid waste 3) HOD: Solid Waste 4) HOD: Solid Waste 5) HOD: Public Safety & Emergencies 6) HOD: Sport	
STRATEGIC OUTCOME 3: A CONNECTED CITY																
SR 04	Dilapidated infrastructure	Poor condition of roads, and incapacity of stormwater drainage system.	1) Roads: Based on the assessments done by the department, the current proportion of roads in the Poor to Very Poor condition grade is ± 45% of the Surfaced roads and ± 35% of the Gravel roads network. 2) Storm Water: There is a significant backlog in the maintenance and upgrade of the existing stormwater drainage systems in the city with 21% of the infrastructure in Poor condition. 3) Changing climatic conditions 4) underbudgetting for maintenanceof existing infrastructure 5) Aging infrastructure	1) Financial loss 2) Loss of potential investment 3) Litigation and claims	5	4	20	1) Roads refurbishment program to improve the condition of the road network 2)Continuous inspection and maintenance of road infrastructure 3) Continuous jetting and clearing of existing stormwater systems to ensure functionality. 4) Stormwater rehabilitation program is ongoing	Weak	80%	16	/ICES	1) Update the condition assessment of the roads and Stormwater infrastructure to determine the current condition and extent of the existing infrastructure. 2) Development of a road maintenance plan with defined guidelines for prioritization of repairs & maintenance 3) Implementation of the road refurbishment program 4) Implementation of roads and stormwater rehabilitation initiatives to improve the overall network.	1) 30 June 2025 2) 30 June 2025 3)Quarterly 4) Quarterly	HOD: Infrastructure services	

TOP 5 STRATEGIC RISKS 1. Financial Sustainability- Inability to meet set revenue targets 2. Supply Chain Management -Irregular expenditure 3. Asset Management- Inadequate management and accounting for assets 4. Safety & Security- Vandalism, theft of municipal assets & infrastructure 5. Dilapidated Infrastructure- Poor condition of roads & stormwater					Consolidated Inherent Risk Assessment			CONTROL EFFECTIVENESS ASSESSMENT			Residual Risk Factor		RISK IMPLEMENTATION PLAN		
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SR05	Unsustainable water and energy supply	Interruption to water, electricity supply and increase in losses.	1) Aging infrastructure 2) Illegal water and electricity connections 3) Climate change 4) Vandalism to water and sanitation infrastructure 5) Uncontrolled urbanisation	1) Loss of revenue 2) Compromised service delivery 3) Negative impact on economic development 4) Pollution of streams with raw sewerage resulting in potential fines and imprisonment	5	4	20	1) Review and implementation of water conservation and water demand management strategy 2) Implementation of the water business Turn around strategy and Infrastructure Asset Management Plan 1) Electrification of informal settlements and provision of formal housing or site and service option 2) Implementation of Smart Metering and replacement of dysfunctional meters with smart meters 3) Revenue Protection Unit in place 4) Implementation of By-Laws/regulations, Credit Control Policy, and Tariff Policy in place. 5) Implement Maintenance and replacement program	Weak	80%	16	HOD: INFRASTRUCTURE SERVICES	Water 1) Implement pressure management initiatives as part of water conservation and water demand management strategy. 2) Conduct a Metro wide Infrastructure Risk assessment study and propose short - medium term - and long term plans to manage Vandalism. 3) Implementation of smart metering for both water & electricity Electricity 4) Implementation of Electrification of informal settlements and provision of formal housing.(LONG TERM) 5) Full implementation of Revenue Protection Strategy. 6) Implement Maintenance program 7) Exploring alternative energy source	1) Quarterly reporting 2) 30 June 2025 3) Quarterly reporting 4) 30 June 2025 (this is a multi year project) 5) Quarterly reporting 6) Quarterly reporting 7) 30 June 2025	1) HOD: Infrastructure 2) HOD: Infrastructure 3) CFO 4) HOD: Infrastructure 5) HOD Infrastructure 6) HOD Infrastructure 7) HOD Infrastructure
SR06	Information technology	1) Inadequate security of ICT infrastructure and vulnerability to cyber attacks. 2) Misalignment of ICT to business strategy	1) Vandalism of ICT infrastructure 2) Lack of firewall violation monitoring resources. 2) User resistance into phishing emails though ICT rolls out daily awarenesses to the Users. 3) Lack of ICT strategy 4) Loadshedding 5) Outdated ICT policies	1) Theft of corporate information 2) Financial loss 3) Disruption to trading leading to loss of revenue	5	5	25	1) Firewall to prevent and detect the hackers. 2) Security team to monitor the security breaches or unauthorized access to the system. 3) Limited access time period to consultants 4) Procured a secure certificate server that is currently being installed on critical applications. 5) A secured and dedicated spectrum for City. 6) Monitoring and reporting tool for ICT Infrastructure(Solarwinds). 7) ICT policy in place and implemented 8) Fully functioning disaster recovery plan.	Weak	20%	20	HOD: CORPORATE SERVICES	1) Upgrade to the latest/advanced security tools using Artificial Intelligence (AI). 2) To perform an ethical hacking Test. 3) Continuous monitoring, identification, and resolution of virus attacks. 4) Upgrade Cyber security software to mitigate breaches. 5) Develop a plan to address the capacity challenges & skills 6) Develop your bring your own device policy. 7) Upgrade a network monitoring server within BCMM. 8) Install backup power in network high sites. 9) Review all ICT policies 10) Enforce the Fibre trenching by-law	1) 30 June 2025 2) December 2024 3) In Place and Ongoing 4) Ongoing 5) June 2025 6) June 2025 7) 30 June 2025 (quarterly progress reports) 8) 30 June 2025 9) 30 Sep (Awaiting Council Approval) 10) 30 June 2025	HOD: Corporate Services

STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY

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SR07	Compromised spatial transformation & development.	1) Illegal occupation of land and incomplete RDP structures. 2) Limited focus on leveraging on existing nodes than to focus on new nodes.	1) Uncontrolled urbanisation 2)Unaffordability and overpricing of land above market value by land owners; 3)lack of land invasion controls by the municipality 4)Increased housing backlogs 5).Limitation posed by laws, provision of alternative accommodation if 48 hours lapses without moving invaders. 6)Prioritisation of building/ developing human settlements and less on unlocking strategic land to unlock investment	1) Negative impact on the Municipal Planning and SDF. 2) Financial loss(appointment of legal capacity, finding alternative land) 4) Environmental damage and exposure to disaster risks such as flooding, fire, death/possible facilities. 5) Tarnished aesthetic image. 6) potential loss of investor confidence.	4	5	20	1)Land Management Policy; Prohibitory Court Orders; Eviction and Demolishing Orders. 2) Institutionalise land management and engage stakeholders to curb invasions. 3) National Housing Register 4) Housing Allocation & Relocation Policy 5) Spatial Development Framework 6) Study for Mdatsane Nodal Hub	Satisfactory	60%	12	HOD: Human Settlements & HOD: SPD	1) Identify additional land parcels (maximise on key nodes areas already developed to attract investment) 2) Capacitation of land management unit to function properly. 3) Engage external stakeholders on land management policy 4)Appoint annual security to safeguard municipal property 5) Implementation of Human Settlements programs. 6) Review and Implementation of BCMMS housing allocation & relocation policy. 7) Conduct a study on how to maximise nodal precinct level already in existence. 8)Create forums on ward levels that will look into land invasion matters	1) 30 June 2025 2) 30 June 2025 3) Quarterly reporting 4) 30 June 2025 5) Quarterly reporting 6) 30 June 2025 7) 30 June 2025 8) Quarterly reporting	1) HOD- SPD 2) HOD: SPD 3) HOD: SPD & HOD: Human Settlements 4) HOD: Public Safety & Emergencies 5) HOD Human Settlements 6) HOD Human Settlements 7) Head: EPMO 8) HOD: SPD		
STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY																	
SR 08	Financial Sustainability	Shrinking revenue base and lack of investor investment in the City	1) Lack of full implementation of the revenue enhancement strategy. 2) Culture of non-payment by communities 3) Incorrect billing 4) High population of indigent households. 5) System limitation/ lack of business process integration with service departments (i.e human settlement, infrastructure) 7) Theft of services (meter tampering) 8) Vandalism of infrastructure cable theft. 9) Restrictions in attaining water meter readings in no-go areas. 10) Loadshedding.	1) Negative financial impact 2) Increase in bad debts 3) Delays in service delivery	5	4	20	1) Municipal property policy. 2) Credit control policy. 3) Indigent support policy. 4) Incentives schemes. 5) Revenue rollout campaign(Thetha Nathi, Indigent registration rollout). 6) Revenue enhancement strategy and implementation plan. 7. Quarterly reconciliation between general valuation and Billing register.	weak	80%	16		1) Installation of water & electricity smart meters. 2) Implement data cleansing project 3) Quarterly reconciliation between general valuation and Billing register. 4) Implementation of the recovery strategy 5) Revenue protection units intervention in meter tempering when there are cases. 6) Procure services to review the Municipal debt book and develop a strategy to reduce it. 7) Implement the financial recovery plan.	1) 30 June 2025- Quarterly progress reports 2) 31 Dec 2024 3) Quarterly reports 4) Quarterly reports 5) As and when cases identified (quarterly reports) 6) 31 Dec 2024 7) Quarterly reporting	1)CFO 2)City Manager 3)CFO 4)All HODs 5) CFO 6) City Manager 7) All HODs		
SR09	Asset Management	Inadequate & ineffective management of municipal assets and fleet.	1)Incomplete Asset related information that relates to WIP and the Asset Registers. 2) Non availability of fully intergrated and automated asset management system. 3) Insufficient security at the workshops and various departments.	1) Material Misstatement of Financial Information in the AFS and the registers. AFS and the registers. 2) Negative audit opinion.	5	4	20	1) Asset Register is maintained 2)Periodical physical verification of assets. 3)Disposal Committee 4) Asset Management policy 5) Automated fleet management system.	Weak	80%	16	Chief Financial Officer	1) Hold weekly capital budget expenditure meetings 2) Conduct physical verification of assets 3)Procure an integrated assets management software/ system 4) To perform monthly reconciliation of capital spending.	1)Weekly 2) Quarterly 3)30 June 2025 4) Monthly	CFO		

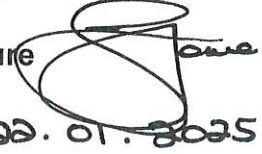
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SR10	Supply Chain Management	Non-compliance with legislation, policies leading to increase in irregular expenditure	1)Poor contracts and lease Management 2) Backlog in resolving historic irregular expenditure. 3)Inadequate implementation of consequence management. 4) Poor procurement planning. 5) Delayed lead time on procurement processes.	1) Irregular expenditure. 2) Delays in service delivery. 3) Financial losses due to litigations	5	4	20	1) Contracts Register 2) E-procurement 3) SCM policy and SOPs 4)Schedule Bid committee meetings in the institutional calendar. 5) Weekly reports to the Accounting officer 6) Irregular expenditure reduction strategy	Weak	80%	16		1) Fully Roll out the contracts Management module 2) Implement the UIFWe reduction strategy (reduce the UIFWe by 75%) 3)Automate leases management register 4) Monthly monitoring of implementation of procurement plans 5) Monitor the seating and functionality of bid committees 6)Implementation of the City Infrastructure Development Management System (CIDMS)	1) 31 Dec 2024 2) 31 Dec 2024 3) 31 Dec 2024 4) Monthly 5) Weekly 6) 31 March 2025	1)CFO 2)City Manager 3) HOD: SPD 4)CFO 5) CFO and City Manager 6) HOD: Infrastructure & Head: EPMO	
SR 11	Human Capital and performance Management	1)Lack of proper functional performance managementsystem at both organisational and employee performance levels. 2) Non compliance to performance management laws and regulations	1) Manual performance system susceptible to manipulation of performance information or reports compromising reliability, authenticity, validity, accuracy, and quality. 2) Lack of performance driven culture 2)No performance Management system	1) Value for money not realised. 2) Slow staff morale. 3)Compromised service delivery	5	4	20	1)Performance is planned, monitored, and reported through SDBIP. 2) Annual Performance Report and Annual Report. 3) Implementation of National Treasury Circular 88. 4) Performance management policy. 5)Manual performance management system, cascading down of PMS 6) Implementation of change management initiatives to develop a change management strategy	satisfactory	60%	12	HOD: CORPORATE SERVICES & HOD ESS	1) Implementation of electronic performance management system 2) Revive partnership agreement with MBSA to assit with organisational and change management. 3) Conduct institutional performance assessment. 4) Conduct performance assessment of Section 57 & 56 Managers. 5) Infuse risk management and audit action plan into the scorecards of HODs.	1)1 July 2024 2) 30 Sep 2024 3) Quarterly 4) Quarterly 5) 31 July 2024	1) HOD Corporate Services 2) HOD Corporate services 3) HOD ESS 4) HOD ESS 5) City Manager	
SR 12	Safety & security of municipal asstes, politicians and employees	Theft, vandalism of municipal assets/ infrastructure and compromised safety of the political leadership and municipal employees.	1)Inadequate security in some of the public amenities such as sports fields, community halls, etc 2) Not all CCTV Cameras are linked to the Control Room and 24-hour shift system. 3) Limited resources(Security personnel do not have adequate equipment) 4) Inadequately secured infrastructure. 5) Load shedding 6) The institution does not have an established security and protection services structure. 7) Vandalism is syndicated and organized 8)Budget constraints to fund the 24-hour shift system and Security & Protection services structure. 9) Homelessness and high levels of unemployment	1) Loss of property 2) Loss of revenue potential 3) Escalated repairs and maintenance costs. 4) Loss of life	5	4	20	1) CCTV Cameras have been installed at Cash Offices in all the regions. 2) CCTV Cameras have been installed in areas with strategic critical infrastructure 3) Trained law-enforcement personnel by the EC liquor board. 4) Deployment of private security to safeguard high-risk infrastructure installations. 5) BCMM Community Safety forum	Weak	80%	16	HOD: PUBLIC SAFETY & EMERGENCIES	1)Roll out of CCTV cameras in BCMM. 2)Conduct a security risk assessment for BCMM. 3) Establish a security and protection services division 4)Appointment of a Head for Security Services and Head of VIP Protection 5)Establishment of ward community safety forums 5)Review of the crime prevention strategy. 6) Joint operations with SAPS and other Stakeholders to enforce liquor by-law. 7) Joint compliance operations on non-ferrous metal works. 8)Joint operations on illegal electricity connections. 9) Consultations are currently underway with Corporate Services (24hrs shift system for law enforcement officers). 10) Appointment of private security is underway (contract).	1) 30 June 2025 2) 30 June 2025 3) 30 June 2025 4) 30 June 2025 5) 30 June 2025 6) Ongoing 7) Ongoing 8) Ongoing 9) 31 Dec 2024 10) 31 Dec 2024	1) HOD Public Safety 2) HOD Public safety services 3) HOD Public Safety 4) HOD Public Safety & HOD Corporate Services 5)HOD Public Safety 6) HOD Public Safety 7) HOD Public Safety 8) HOD Public Safety 9) HOD Public Safety & HOD Corporate services. 10) HOD Public Safety	

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N.B. Kindly take note of the following: 1) All Directorates are expected to report on financial recovery plan together with the revenue enhancement strategy quarterly 2) Quarterly progress reports are expected with supporting documentation for all achieved targets. 3) Risk Management to be a standing item in departmental meetings atleast monthly and minutes of such meetings shall be requested by the risk management committee. 4) This risk register shall be used for the combined assurance plan.																

Signed by:

The City Manager: Mr. M Yawa

Signature



Date 22.01.2025