MSUKALIGWA LOCAL MUNICIPALITY

RISK MANAGEMENT GUIDELINE:

RISK CHAMPIONS

2026/27

TABLE OF CONTENT

1. PURPOSE OF THE GUIDELINE……3

2. DEFINITION……3

3. APPLICATION OF THE GUIDELINE……..3

4. FUNCTIONS OF RISK CHAMPIONS……..3

5. UNDERSTANDING RISK MANAGEMENT……4
5.1. Legislative Mandate and Corporate Governance**……..4**
5.2. Strategic Value of the Risk Champions in Risk Management**……..4**
5.3. High Level Responsibility of the Risk Champions**……4**
5.4. Evaluation**……5**

6. REFERNCES……5

7. REVIEW OF THE GUIDELINE……..5

1. PURPOSE OF THE GUIDELINE

1.1. The purpose of this guideline is to assist the Risk Champions in discharging their risk management responsibilities.

2. DEFINITION

2.1. Risk Champion is a person with the skills knowledge, leadership qualities and power of office required to champion a particular aspect of risk management.
2.2. The Risk Champion supports the risk management processes in specific allocated areas or functions.
2.3. A Risk Champion has sufficient authority to drive Enterprise Risk Management as required by the institution's risk management policy and strategy.

3. APPLICATION OF THE GUIDELINE

This Guideline is designed to:

3.1. Provide the Risk Champion with information to enable them to fully understand the roles and responsibility in their department in terms of risk management and how to effectively discharge such roles and responsibilities.

4. FUNCTIONS OF RISK CHAMPIONS

4.1. The Risk Champion is a person with the skills, knowledge, leadership qualities and power of office required to champion a particular aspect of risk management.
4.2. A key part of the Risk Champion's responsibility should involve intervening in instances where the risk management efforts are being hampered, for example, by the lack of co-operation by Management and other officials and the lack of institutional skills and expertise.
4.3. The Risk Champion should also add value to the risk management process by providing guidance and support to manage "problematic" risks and risks of a transversal nature that require a multiple participant approach.

4.4. In order to fulfil his/her function, the Risk Champion should possess:

4.4.1. A good understanding of risk management concepts, principles and processes;
4.4.2. Good analytical skills;
4.4.3. Expert power;
4.4.4. Leadership and motivational qualities; and
4.4.5. Good communication skills.

4.5. The Risk Champion should not assume the role of the Risk Owner but should assist the Risk Owner to resolve problems.

5. UNDERSTANDING RISK MANAGEMENT

5.1. Legislative Mandate and Corporate Governance

5.1.1. Legislative Mandate

The Risk Champions are bound by the legislation applicable to "Other Municipal Officials" as stipulated on Section 78 of the Municipal Finance Management Act No 56 of 2003.

The Risk Champions are guided by Chapter 17 of the Provincial Risk Management Framework

5.1.2. Corporate Governance

With regards to Corporate Governance, The Municipality will source guidance from the following;

5.1.2.1. Provincial Risk Management Framework
5.1.2.2. King IV on Corporate Governance; and
5.1.2.3. Batho Pele Principles

5.2. Strategic Value of the Risk Champion in Risk Management

5.2.1. The Risk Champion must be a person with the skills, knowledge and leadership required to champion the risk management cause within their respective departments.
5.2.2. A Key part of the Risk Champion's responsibility involves escalating instances where the risk management efforts are hampered, such as when individuals try to block Enterprise Risk Management initiatives.
5.2.3. The Risk Champions must also add value to the risk management process by providing guidance and support to manage "Problematic" risks and risks of a transversal nature that requires multiple participant approach.

5.3. High level responsibilities of Risk Champions

5.3.1. To derive optimal benefits, risk management ought to be conducted in a systematic manner, using proven methodologies, tools and techniques.
5.3.2. The Risk Champion acts as a change agent in the Enterprise Risk Management processed and is distinguished from risk co-ordinators as they are trouble shooters that facilitate resolution of risk related problems.
5.3.3. For consistency in the way that risk management is handled in the Public Sector, all institutions are encouraged to adopt the Enterprise Risk Management approach.

5.3.4. In order to be effective and efficient risk champions must:

5.3.4.1. Have good understanding of the risk concepts, principles and processes
5.3.4.2. Have good analytical skills to assist with the analysis of root causes to the risk problems during the risk assessment;
5.3.4.3. Leadership and motivational qualities;
5.3.4.4. Have good communication skills.

5.4. Evaluation

5.4.1. Clear objectives and key performance indicators should be set for the Risk Champion in respect of risk management.
5.4.2. The indicators envisaged above must be able to measure the Risk Champion's effectiveness in the institution's Enterprise Risk Management in contributing to the Institution's goals and objectives.
5.4.3. Possible key performance indicators for the Rick Champion could include resolution of problems identified amongst others.

6. REFERENCES

The following Risk Management Enabling Documents are available on municipal website; they are there to assist the Risk Champions to facilitate implementation of risk management.

6.1. Risk Management Policy
6.2. Risk Management Strategy
6.3. Anti-Fraud policy and Strategy

Risk Assessments are to be used by the Risk Champions, to be able to know the risks that are currently faced by the departments in the municipality.

7. REVIEW OF THE GUIDELINE

This Guideline will be reviewed every 5 years (with alignment to the political term) or as when the need arises when there are changes in risk management guidelines in public sector.

APRROVALS

Authority	Date
Recommended by Chairperson of Risk Management, Anti-Fraud and Corruption Committee:	
Approved by Municipal Manager: Mr M Kunene	
Approved by Council	**Council resolution number LM 899/07/2025**