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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REGISTERED UNIT STANDARD:

Apply risk management in South African municipalities

SAQA US ID	UNIT STANDARD TITLE		
116339	Apply risk management in South African municipalities		
SGB NAME		REGISTERING PROVIDER	
SGB Public Administration and Management			
FIELD		SUBFIELD	
Field 03 - Business, Commerce and Management Studies		Public Administration	
ABET BAND	UNIT STANDARD TYPE	NQF LEVEL	CREDITS
Undefined	Regular	Level 6	10
REGISTRATION STATUS	REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Registered	2004-10-13	2007-10-13	SAQA 0256/04

PURPOSE OF THE UNIT STANDARD

This Unit Standard is for all people involved in municipal financial management. Persons credited with this unit standard are able to:

- Apply the core concepts of risk management in a South African municipality.
- To inform policy decision and strategic decision-making processes about the importance of risk management in municipalities.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that Learners are competent in:

- Communication at Level 4.
- Mathematical Literacy at Level 4.
- Economics at Level 4

UNIT STANDARD RANGE

N/A

UNIT STANDARD OUTCOME HEADER

N/A

Specific Outcomes and Assessment Criteria:

SPECIFIC OUTCOME 1

Identify the role played by risk management in a municipality.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The importance of risk management is explained with reference to institutions that have failed because of poor risk management.

ASSESSMENT CRITERION 2

Different types of risk are identified and reasons are provided as to why these risks need to be managed.

ASSESSMENT CRITERION 3

The objectives of a risk management plan are formulated so as to manage identified risks.

SPECIFIC OUTCOME 2

Interpret and apply legislation relevant to municipal risk management in South African municipalities.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The requirements for risk management in South African municipalities are interpreted in terms of relevant legislation.

ASSESSMENT CRITERION RANGE

Municipal Finance Management Act (Act 56 of 2003), National Treasury Guidelines, Disaster Management Act, Occupational and Safety Health Act.

ASSESSMENT CRITERION 2

Threats to a risk management system are identified and evaluated in terms of the degree of threat they pose.

ASSESSMENT CRITERION 3

The objectives of a risk management plan adopted by a municipality are identified and evaluated against relevant legislative requirements.

SPECIFIC OUTCOME 3

Demonstrate how risk management contributes to good governance.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The requirements for good governance are recognised and included in a risk management plan.

ASSESSMENT CRITERION RANGE

King Report, Cadbury Report.

ASSESSMENT CRITERION 2

A professional code for risk management is formulated including statements of ethical principles.

SPECIFIC OUTCOME 4

Develop a municipality wide risk management and reporting system.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The rationale for implementing an enterprise-wide risk management system is explained and benchmarked to best practice.

ASSESSMENT CRITERION 2

The accountability framework for risk management is developed in a municipal context.

ASSESSMENT CRITERION 3

Risks are classified in terms of a risk classification systems.

ASSESSMENT CRITERION RANGE

Pure/speculative risk, credit, market, operational risk.

ASSESSMENT CRITERION 4

Roles, responsibilities and accountabilities are described in terms of generally accepted risk principles.

ASSESSMENT CRITERION 5

Measures required to control and report risk are developed in line with generally accepted risk management practice.

ASSESSMENT CRITERION 6

Mechanisms for risks to be reported are implemented in line with generally accepted risk management practice.

SPECIFIC OUTCOME 5

Develop a risk management process.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The risk management process is commented on in line with generally accepted risk management practice.

ASSESSMENT CRITERION 2

Continuous and periodic review processes are consistently applied to risk management procedures and policies.

ASSESSMENT CRITERION 3

Internal control processes in the risk management process are applied in line with generally accepted risk management practice.

ASSESSMENT CRITERION 4

The link between risk of fraud and weaknesses in the internal control systems is explained in line with generally accepted risk management practice.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

- An individual wishing to be assessed (including through RPL) against this Unit Standard may apply to an assessment agency, assessor or provider institution accredited by the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Anyone assessing a learner against this Unit Standard must be registered as an assessor with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Any institution offering learning that will enable achievement of this Unit Standard or assessing this Unit Standard must be accredited as a provider with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Moderation of assessment will be conducted by the relevant ETQA at its discretion.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

King Report.

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):

UNIT STANDARD CCFO IDENTIFYING

Identify and solve problems using critical and creative thinking processes, e.g. by trying to find the best possible risk management options.

UNIT STANDARD CCFO WORKING

Work effectively with others as a member of a team, group, organization or community, e.g. through communicating with others regarding risk management issues and fostering team commitment for identifying and reducing risks.

UNIT STANDARD CCFO ORGANISING

Organise and manage oneself and one`s activities responsibly and effectively, e.g. through managing one`s own risk effectively.

UNIT STANDARD CCFO COLLECTING

Collect, analyse, organise and critically evaluate information, e.g. through researching all possible risk management solutions and presenting conclusions.

UNIT STANDARD CCFO COMMUNICATING

Communicate effectively using visual, mathematical and / or language skills in the modes of oral and/or written persuasion, e.g. through advising and motivating others with regard to risk management options.

UNIT STANDARD CCFO SCIENCE

Use Science and technology effectively and critically, showing responsibility to the environment and health of others, e.g. use appropriate computer software for data capturing and document storage purposes.

UNIT STANDARD CCFO DEMONSTRATING

Demonstrate an understanding of the world as a set of interrelated systems by recognising that problem-solving contexts do not exist in isolation, e.g. in keeping in mind that risk management effects the well being of not only the municipality but the country as a whole.

UNIT STANDARD CCFO CONTRIBUTING

Participating as responsible citizens in the life of local, national and global communities, e.g. acting as custodian of ethical behaviour and maintaining a high level of commitment to providing effective risk management policies and practices.

UNIT STANDARD ASSESSOR CRITERIA

N/A

UNIT STANDARD NOTES

N/A

QUALIFICATIONS UTILISING THIS UNIT STANDARD:

	ID	QUALIFICATION TITLE	LEVEL	STATUS	END DATE
Core	48965	Certificate: Municipal Financial Management	Level 6	Registered	2007-10-13

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