

MPUMALANGA PROVINCIAL GOVERNMENT

Building No. 4
No. 7 Government Boulevard
Riverside Park Extension 2
Nelspruit
1200
South Africa



Private Bag X 11205
Nelspruit, 1200
Tel: 013 766 4323
Fax: 013 766 4994
Int: +27 13 766 4323
Int: +27 13 766 4994
Email: lajonas@mpg.gov.za

Department of Finance *Office of the HOD*

Litiko LeteTimali

UmNgango weZemali

Departement van Finansies

Kgoro ya Matlotlo

Enquiries : Ms FM Shithelana x4323

Ref No : DOF 13/4/R

PROVINCIAL TREASURY CIRCULAR NO 6 OF 2013

TO:

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (DR NONHLANHLA MKHIZE)
THE ACTING - ACCOUNTING OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR JB SILINDA)
THE ACCOUNTING OFFICER: VOTE 3: FINANCE (MS NZ NKAMBA)
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR D MAHLOBO)
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEV & LAND ADMINISTRATION (MS NL SITHOLE)
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM (DR V DLAMINI)
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR K MOHLASEDI)
THE ACCOUNTING OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIASON (MR ST SIBUYI)
THE ACCOUNTING OFFICER: VOTE 10: HEALTH (MR R MNISI)
THE ACCOUNTING OFFICER: VOTE 11: CULTURE, SPORTS AND RECREATION (MS SP JWARA)
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS N MLANGENI)
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR SR MTSWENI)

CHIEF EXECUTIVE OFFICERS OF PUBLIC ENTITIES:

MPUMALANGA ECONOMIC GROWTH AGENCY (MEGA): ADV. B MKHIZE
MPUMALANGA GAMBLING BOARD (MGB): MR B MLAMBO
MPUMALANGA TOURISM AND PARKS AGENCY (MTPA): MR BJ MODIPANE
MPUMALANGA REGIONAL TRAINING TRUST (MRTT): MR ND MOROPANE

SUBJECT: SUBMISSION OF STRATEGIC RISK ASSESSMENT REPORTS FOR THE 2013/14 FINANCIAL YEAR FOR CONSOLIDATION

This circular is issued to request all Provincial Departments and Public Entities to submit their Strategic Risk Assessment reports to the Provincial Treasury on or before 31 March 2013 for consolidation. This consolidation process is aimed at formulating a single Provincial Risk Register which will be comprised of 10 top high priority Risks Areas for Mpumalanga Provincial Government with the intention of presenting it to the Provincial Management Committee.

Provincial Treasury is mandated as per section 18 (2) (b) of the Public Financial Management Act to monitor and assess the implementation of Risk Management within the Province to improve and enhance the establishment and sustainability of corporate governance.

1. LEGAL MANDATES AND THE RESPONSIBILITIES AND EXPECTATIONS OF ACCOUNTING OFFICERS WITH REGARD TO RISK MANAGEMENT

1.1 The general responsibilities of the Accounting Officer with regard to risk management process is clearly stipulated in section 38 (1) (a) (i) and section 51 (1) (a) (i) of Public Finance Management Act (PFMA) whereas Treasury Regulations 3.2.1 stipulates that the Accounting Officer must ensure that a risk assessment is conducted regularly. The aforesaid pieces of legislation are supported by the Public Sector Risk Management Framework which serves as a source of reference with regard to Risk Management processes in the Public Sector be it the Provincial Departments and delegated Public Entities including the application of King III Report and the framework on Committee of Sponsoring Organizations of the Tread way Commission (COSO) both of which are aimed at enhancing good corporate governance.

2. THE PROCEDURE TO CONSOLIDATE THE TOP TEN HIGH PRIORITY RISKS AREAS

2.1 This procedure will be informed by the magnitude of residual rating which is the rating that remains after the controls or strategies were applied to mitigate the risks, and the level and extent of intervention expected.

2.2 It will be aimed at enabling and ensuring common approach to the supposed consolidated top ten high priority risks areas that may hamper the operations and possibly lead to the deviation from the intended objectives of the Province. This exercise is not therefore aimed at taking over or replacing the responsibilities of the Provincial Departments and Public Entities on risk management matters, but aimed at strengthening and adding value to service delivery.

NBThis circular should be brought to the attention of all the Chief Risk Officers and Chief Audit Executives where there is non-existence of Chief Risk Officers as a matter of urgency and the submissions should be made to FMShitlh@mpg.gov.za on or before 31 March 2013.**

Regards



**MS NZ NKAMBA
HEAD OF DEPARTMENT
DEPARTMENT OF FINANCE
DATE: 14/3/13**