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Department:
Public Works; Roads and Transport
North West Provincial Government
Republic of South Africa

RISK MANAGEMENT COMMITTEE CHARTER

DOCUMENT TITLE : RISK MANAGEMENT COMMITTEE CHARTER
DEPARTMENT : PUBLIC WORKS, ROADS AND TRANSPORT

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1. Constitution

The Risk Management Committee (Committee) has been established by Department of Public Works, Roads and Transport to assist the Accounting Officer to fulfil his / her risk management and control responsibilities in accordance with prescribed legislation and corporate governance principles.

2. Objectives

The primary objective of the Committee is to assist the Accounting Officer in discharging his / her accountability for risk management by reviewing the effectiveness of the Departmental risk management systems, practices and procedures, and providing recommendations for improvement.

3. Composition

Permanent members of the Committee shall be formally appointed by the Accounting Officer. The members, as a collective, shall possess the blend of skills, expertise and knowledge of the Department, including familiarity with the concepts, principles and practice of risk management, such that they can contribute meaningfully to the advancement of risk management within the Department.

Membership shall comprise:

- Chief Financial Officer
- Representatives of senior management.

Standing invitees to the Committee shall be:

- Chief Risk Officer;
- Provincial Internal Audit(PIA) representative

- Any other person who may be co-opted to provide specialist skills, advice and counsel.

4. Authority

The Accounting Officer shall appoint the Chairperson from the permanent membership of the Committee.

The Committee shall have the requisite authority to request management to appear before it to account for their delegated responsibilities in respect of risk management.

5. Roles and responsibilities

The duties of the Committee shall be to:

- Review the risk management policy and strategy and recommend for approval by the Accounting Officer;
- Review the risk appetite and tolerance and recommend for approval by the Accounting Officer;
- Review the Departmental risk identification and assessment methodologies to obtain reasonable assurance of the completeness and accuracy of the risk register;
- Evaluate the effectiveness of mitigating strategies to address the material risks of the Department;
- Report to the Accounting Officer any material changes to the risk profile of the Department;
- Review any material findings and recommendations by assurance providers on the system of risk management and monitor that appropriate action is instituted to address the identified weaknesses;

- Set out the nature, role, responsibility and authority of the risk management function within the Institution for approval by the Accounting Officer, and oversee the performance of the risk management function;
- Provide proper and timely reports to the Accounting Officer on the state of risk management, together with aspects requiring improvement accompanied by the Committee's recommendations to address such issues.

6. Meetings

The Committee shall meet at least four times per annum. The Chairperson of the Committee or a majority of the permanent members of the Committee may convene additional meetings as circumstances may dictate.

7. Administrative duties

The Chief Risk Officer, or such person as appointed by the Chief Risk Officer, shall be the secretary of the Committee. The secretary shall forward the notice of each meeting of the Committee to all members no later than ten working days prior to the date of the meeting. The notice shall confirm the venue, time, date and agenda and include the documents for discussion.

The minutes of the meetings shall be completed by the secretary and sent to all relevant officials for comment within seven working days after the meeting.

The minutes shall be approved at the immediately following meeting, whereupon the approved minutes will be circulated to all attendees within three working days.

8. Quorum

50% plus one constitutes a quorum. A permanent member of the Committee may nominate a proxy on his / her behalf. This proviso shall lapse in the event that the permanent member fails to attend 50% or more of the Committee meetings held in that particular financial year in person.

9. Performance Evaluation

The Committee shall evaluate at least annually its performance in terms of its charter.

10. Review of the charter

The Committee shall review the Chapter annually and recommend to the Accounting Officer for approval of any amendments that may be required.

APPROVED



HEAD OF DEPARTMENT

27/03/2015
DATE