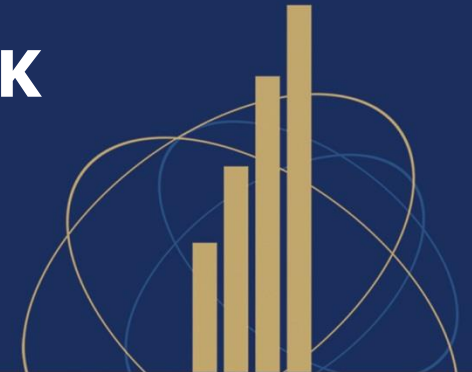




COMBINED ASSURANCE FRAMEWORK FOR LOCAL GOVERNMENT

Prepared: Ntombizamatolo Lugongolo

Co presenter: Dr Blanche Steyn



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BONAKUDE

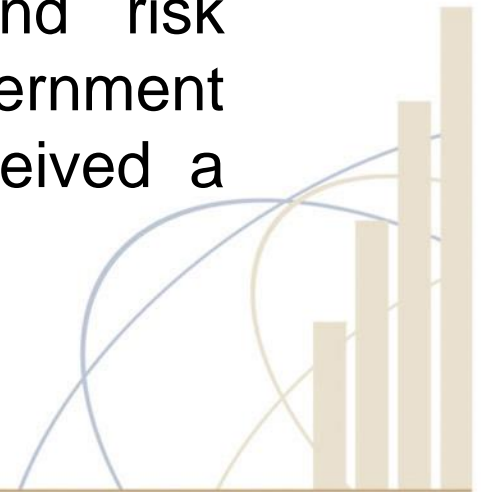


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Why combined assurance?

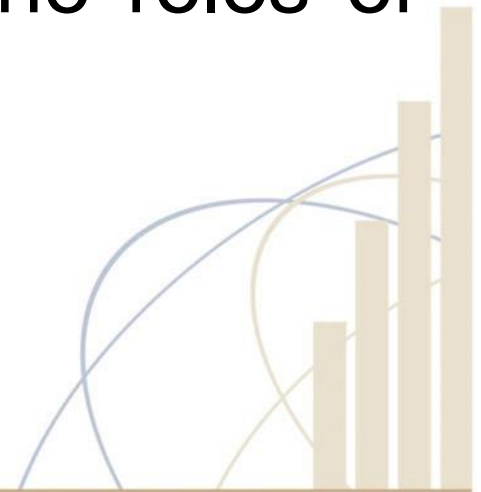
In 2020 the auditor general highlighted that weaknesses in the internal control and risk management contributed to poor local government audit results. Only 27 municipalities received a clean audit.



Unpacking combined assurance

Combined assurance aims to integrate and align assurance processes to maximise risk oversight and optimise overall assurance. As there are many different assurance providers . It is important to limit **assurance fatigue** caused by **duplicate audits**.

The combined assurance framework for local government was developed from the literature review and interviews with participants from the three lines of defense to obtain their perceptions on the roles of the different lines of defence



Combined assurance framework for local government

Implementation steps	Guidance
Step 1: Enterprise risk management	<p>1st line: Operational managers identify and manage risks that impact service delivery channels.</p> <p>2nd line: Risk management unit monitors the risks identified by operational managers and assists them to better embed risk management in their channels. Risk management unit regularly conducts risks assessments to identify emerging risks.</p> <p>3rd line: Internal audit provides assurance on the effectiveness of risk management processes.</p>
Step 2: Responsibility allocation	<p>1st line: Operational managers identify and manage risks that impact service delivery channels. Report on the status of efforts to achieve service delivery goals.</p> <p>2nd line: Risk management unit monitors risks, assesses emerging risks and reports on the status of risk management and emerging risks across the municipality.</p>

Combined assurance framework for local government

Implementation steps	Guidance
Step 3: Assurance mapping	<p>1st line: Operational managers' report on the status of service delivery.</p> <p>2nd line: Risk management unit reports on the status of risk management across the municipality and highlights emerging risks.</p> <p>3rd line: Internal audit uses a risk-based approach to prepare the overall audit plan on which assurance engagements in the municipality are focused during the year.</p>

The foundation for combined assurance and the successful implementation of a combined assurance model rests on the quality of the risk management information. Therefore, municipalities with low risk maturity will not be able to implement combined assurance

RESPONSIBILITY ALLOCATION

1st line: Monitor and report on the status of efforts to achieve service delivery goals.

2nd line: Monitor and report on the status of risk management and emerging risks across the municipality to help ensure the service delivery goals are on track.

3rd line assess the reasonableness of the monitoring and reporting of the 1 and 2nd lines

To coordinate and optimise risk management and assurance activities, responsibilities must be allocated to individuals and/or specific groups/departments using an assurance map.

STEPS IN THE ASSURANCE MAP

Identifying who will be the risk owner;

Who provides assurance over the most significant risks;

Identification of all assurance providers linked to the risk

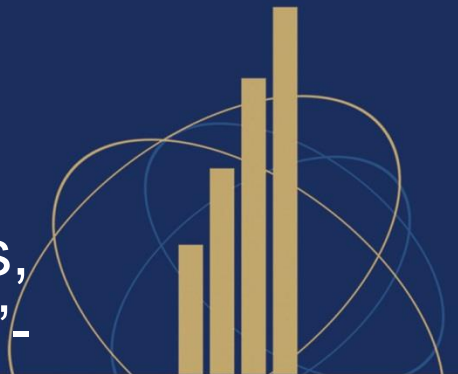
Agree as to how assurance will be provided(One voice, one view)

Analyse the map to identify any assurance gaps

Develop an action plan for monitoring and improvement



“Coming together is a
beginning,
keeping together is progress,
working together is success”-



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