



SHIRE OF  
**DOWERIN**  
TIN DOG TERRITORY

# MINUTES

## Audit & Risk Committee Meeting

Held in Council Chambers  
13 Cottrell Street, Dowerin WA 6461  
2 August 2022

ABN: 35 939 977 194

P (08) 9631 1202 E [dowshire@dowerin.wa.gov.au](mailto:dowshire@dowerin.wa.gov.au)  
13 Cottrell Street, Dowerin WA 6461

 [www.dowerin.wa.gov.au](http://www.dowerin.wa.gov.au)



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Shire of Dowerin  
Audit & Risk Committee Meeting  
2 August 2022



**1. Official Opening**

The Chair welcomed those in attendance and declared the Meeting open at 1.34pm.

**2. Record of Attendance / Apologies / Leave of Absence**

**Committee Members:**

Cr RI Trepp	President & Chair
Cr BA Ward	Deputy President
Cr NP McMorran	
Mr D Armstrong	

**Staff:**

Ms R McCall	Chief Executive Officer
Mr A Wooldridge	Deputy Chief Executive Officer
Ms L Dreghorn	Executive & Governance Officer

**Apologies:** Mrs TA Jones

**Approved Leave of Absence:** Nil

**3. Public Question Time**

Nil

**4. Disclosure of Interest**

Nil

**5. Confirmation of Minutes of the Previous Meeting(s)**

5.1 Audit & Risk Committee Meeting held on 8 March 2022

**Attachment 5.1A**

**Voting Requirements**



Simple Majority



Absolute Majority

**Officer's Recommendation/Resolution - 5.1**

**Moved:** Cr Ward

**Seconded:** Mr D Armstrong

**0633** That, in accordance with Sections 3.18 and 5.22(2) of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held on 8 March 2022, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

**CARRIED 4/0**

**6. PRESENTATIONS**

The State Government has announced the final package of reforms to the *Local Government Act 1995*, following a review of public submissions. It is the most significant package of reforms for WA local government since the *Local Government Act 1995* was passed more than 25 years ago. The reforms have been developed based on findings identified as part of the Local Government Act Review and recommendation of various reports, including the Local Government Review Panel Final Report.

Major changes to the Local Government and Regulations aims to provide for a stronger, more consistent framework for local government across WA. The reform proposals have been designed to deliver significant benefits for residents and ratepayers, small business, elected members, and professional working in the sector.

The proposed reforms are based on six themes:

- Earlier intervention, effective regulation, and stronger penalties
- Reducing red tape, increasing consistency and simplicity
- Greater transparency and accountability
- Stronger local democracy and community engagement
- Clear roles and responsibilities
- Improved financial management and reporting

This item is tabled to highlight Theme 6: Improved Financial Management and Reporting and is provided for information. See **[Attachment 6.1A](#)**.

## 7. OFFICER'S REPORTS

### 7.1 Risk Dashboard Quarterly Report – June 2022

<h1>Governance &amp; Compliance</h1>		 <b>SHIRE OF DOWERIN</b> TIN DOG TERRITORY
<b>Date:</b>	26 July 2022	
<b>Location:</b>	Not Applicable	
<b>Responsible Officer:</b>	Rebecca McCall, Chief Executive Officer	
<b>Author:</b>	As Above	
<b>Legislation:</b>	<i>Local Government Act 1995</i>	
<b>Sharepoint Reference:</b>	Compliance/Risk Management/Reporting	
<b>Disclosure of Interest:</b>	Nil	
<b>Attachments:</b>	<b>Attachment 7.1A</b> - Risk Dashboard Quarterly Report – June 2022	

#### Purpose of Report



Executive Decision



Legislative Requirement

#### Summary

This Item presents the Risk Dashboard Quarterly Review to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

#### Background

The Shire of Dowerin's Risk Management Policy, in conjunction with the Risk Management Framework, sets out the Shire's approach to the identification, assessment, management and monitoring of risks.

Appropriate governance of risk management within the Shire provides:

1. Transparency of decision making;
2. Clear identification of the roles and responsibilities of the risk management functions; and
3. An effective governance structure to support the Risk Management Framework.

The Audit & Risk Committee has a role to play and its responsibilities include:

1. Regular review of the appropriate and effectiveness of the Risk Management Framework;
2. Support Council to provide effective corporate governance;
3. Oversight of all matters that relate to the conduct of external audits; and
4. Must be independent, objective and autonomous in deliberations.

It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and efficiency of controls and appropriateness of treatment/action options selected, it can be determined if the organisation's resources are being put to the best use possible. During the

quarterly reporting process, management are required to review any risks within their area and follow up controls and treatments/actions that are mitigating those risks.

Comment
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The reviewed Risk Dashboard is included as an Attachment for the Audit & Risk Committee's perusal and comment.

The following comments against current actions are noted:

**Asset Management**

Action: Road condition data to be updated in RAMM annually

Comment: Data updated in RAMMS; 22/23 program to be loaded throughout year

Action: Revaluation of sewerage assets

Comment: Draft Report provided to management for comment (5 year revalue cycle)

Action: Implement New Fuel Stock Control System

Comment: Partially completed; fuel pods will be installed into new fleet

Action: Review of Asset Management Plan

Comment: Progressing, Draft AMP; data to be cross referenced

Action: Review of Long-Term Financial Plan

Comment: Progressing, Draft reviewed LTFP currently linking; data needs to be cross referenced

KPI: Asset Renewal Funding Ratio Result 92%, worsening

KPI: Asset Consumption Ratio Result 59%, worsening

KPI: Asset Sustainability Ratio Result 69%, worsening

KPI: Accidents/Damage to Property Result 11 for quarter, worsening

**Business Disruption**

Action: Development of IT Disaster Recovery Plan

Comment: Deferred until DCEO has reviewed IT Systems and Controls

KPI: LEMC meetings 2, worsening

KPI: LEM annual exercise 1, improving

**Compliance**

Action: Review of Asset Management Plan & Long-Term Financial Plan

Comment: Progressing, Cross referencing data in the draft AMP and LTFP

Action: Review of Information Management System

Comment: Progressing, extended completion to December to provide the DCEO time to carry out review

KPI: Regulation 53 of Building Regulations 2021 (pool Inspections)

Comment: Inspections scheduled for August 2022

**Document Control**

Action: Review SharePoint System

Comment: Progressing

Action: Review Record Keeping Plan

Comment: Progressing, consultant engaged

**Employment Practices**

Action: Review of Staff Induction process

Comment: Review progressing.

Action: Develop Health & Wellbeing Plan

Comment: Draft program progressing

Action: Review Workforce Plan

Comment: Carry out review once organisation re-structure is finalised

KPI: Absenteeism Personal Leave (greater than 10 days per FTE)

Comment: Rated for the 2021/22 with a result of 32%; leave policy introduced to improve rating

KPI: Absenteeism Unpaid Leave (greater than 0 days per FTE)

Comment: Rated for the 2021/22 with a result of 41%; leave policy introduced to improve rating

### **Environmental Management**

Action: Address Compliance of Waste Water Re-Use

Comment: Contracted EHO to review reporting requirements

### **Management of Facilities/Venues/Events**

Action: Develop Event Management Framework

Comment: EMP in place, framework ongoing, extended due date to December 2022

Action: Public Buildings Inspected Annually for Compliance

Comment: Inspections commenced; Discuss inspection schedule with new EHO

### **IT and Communication Systems**

Action: Document IT Infrastructure Replacement Program

Comment: To be developed prior to December 2022

### **Safety and Security Practices**

Action: Assess Shire Building and Facility Safety and Security

Comment: Arrange EHO onsite visit to conduct assessment

Action: Develop Isolated Worker Management Procedure

Comment: Progressing; presented to WHS Committee March 2022, yet to prepare procedure

Action: Conduct Annual BCP and LEMC Drills

Comment: LEMC Drill completed June 2022; BCP drill due December 2022

It is planned to consider strategic financial management risks and identify key controls and treatments for inclusion into the risk dashboard.

### **Consultation**

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

Linley Dreghorn, Executive & Governance Officer

### **Policy Implications**

Policy 2.2 - Risk Management Policy is applicable.

### **Strategic Implications**

### **Strategic Community Plan**

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.1

### **Asset Management Plan**

Identified key controls and actions associated with asset management are factored into the Asset Management Plan.

## Long Term Financial Plan

Identified key controls and actions associated with financial management are factored into the Long Term Financial Plan.

### Statutory Implications

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are applicable.

### Risk Implications

The Shire of Dowerin has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

### Financial Implications

Many of the actions required to manage the risks identified will require resourcing and are being progressed within the current budget allocations.

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation/Resolution

**Moved:** Cr Trepp

**Seconded:** Mr D Armstrong

**0634** **That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:**


- 1. Receives the quarterly Risk Dashboard Quarterly Report - June 2022, as presented in Attachment 7.1A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin; and**
- 2. Recommends to Council that it adopts the quarterly Risk Dashboard Quarterly Report - June 2022.**

**CARRIED 4/0**

Please note that the Audit & Risk Committee does not have delegated authority to make decisions. All recommendations of the Audit & Risk Committee are presented to Council for ratification.



## 7.2 Interim Audit Results for the Year Ending 30 June 2022

<h1>Corporate &amp; Community Services</h1>		 <b>SHIRE OF DOWERIN</b> TIN DOG TERRITORY
<b>Date:</b>	19 July 2022	
<b>Location:</b>	Not applicable	
<b>Responsible Officer:</b>	Aaron Wooldridge, Deputy Chief Executive Officer	
<b>Author:</b>	Linley Dreghorn, Executive & Governance Officer	
<b>Legislation:</b>	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>	
<b>Sharepoint Reference:</b>	Organisation/Corporate Management/Reporting	
<b>Disclosure of Interest:</b>	Nil	
<b>Attachments:</b>	<a href="#">Attachment 7.2A</a> - Interim Audit Report <a href="#">Attachment 7.2B</a> - Interim Audit Findings	

### Purpose of Report

Executive Decision

Legislative Requirement

### Summary

This Item presents the results and findings of the Interim Audit for the year ending 30 June 2022 to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

### Background

The Office of the Auditor General (OAG) conducted its Interim Audit for the Shire of Dowerin on Monday 4 April and Tuesday 5 April 2022.

The Report on the results of the Audit has been received and is included as an Attachment for the Audit & Risk Committee's information.

### Comment

The Report identifies nine areas which are considered deficient, being:

1. Monthly Creditor Reconciliations;
2. Debtor Invoice Request Forms;
3. Superannuation;
4. General Journals;
5. Bank Reconciliations;
6. Investment of Surplus Funds;
7. Credit Note Authorisation Forms;
8. Cancelled Receipts; and
9. Asset Disposal Forms;

The rating given to all nine deficiencies is Moderate, meaning the findings are of sufficient concern to warrant action being taken to rectify the deficiency as soon as practicable.

The Report details the Finding against each deficiency, indicates the Implications the deficiency may have on the organisation, and makes Recommendations on how the organisation can best rectify the deficiency. Management was made aware of the identified deficiencies at the conclusion of the Audit and were afforded the opportunity to provide comment and context to the deficiency.

While the matters are fully detailed in the Report, they have been summarised in the table below:

Finding	Recommendation	Management Comment
Monthly Creditor Reconciliations	The monthly creditor reconciliations should be reviewed by an officer independent of the preparer without delay and the date of review should be indicated. The error in the system should be investigated and appropriate action be taken to rectify it.	<p>Management will ensure all reconciliations are properly signed off and dated going forward, however, seeing the majority of the reconciliations have been fully signed and dated plus the findings themselves are signed by the reviewer, management does not agree the finding should be rated 'Moderate' rather it should be 'Minor'.</p> <p>Management does not believe the April 22 creditor balance of \$11,147.91 is due to an error but is evident that the matter needs further investigation and rectified within the coming weeks.</p>
Debtor Invoice Request Forms	The debtor invoice request forms should be authorised by the responsible officer prior to raising of debtor invoices and such authorisation be documented.	Management will ensure all debtor requests form are properly signed off and will update the existing form to clearly show the separation of requester and approver.
Superannuation	Superannuation is generally not paid on overtime unless it is required according to the employment contract signed by the employee. The Shire should review its practice of paying superannuation on overtime.	This was due to an implementation error of the payroll system (Definitive) by IT Vision at the time. The implementation of the new Definitive payroll system commenced in February 2021 but the payroll processing from Definitive only came into effect in the financial year 2021/22, therefore the error was only in 2021/22. This system error has now been rectified by IT Vision; however, management will not be proceeding with any recovery action for these overpayments.
General Journals	All relevant supporting documentation should be attached to the general journals for review by an officer independent of the preparer.	Management is satisfied with the nature of the journals as they were originally given approval and that they will not lead to any suspicious/fraudulent activity, however it is agreed by management that the forms

		and process around the journal processing will be updated and improved going forward. All journals are required to be approved by management and supporting documentation is required for each journal. Staff are made aware and will ensure this is done.
Bank Reconciliations	The monthly bank reconciliations should be prepared for all bank accounts in a timely manner and reviewed by an independent senior officer promptly. The review should be evidenced in writing.	Bank Reconciliations between July and September 2021 have been recently found and was dated and approved by management in October 2021. This is still not acceptable by management as reconciliations are required to be completed at end of month. Staff are informed and have been made aware again and new management will ensure this happens. The Muni Max and LRCIP account will be closed in the 22/23 year as they are no longer required, however, management agrees these accounts should have been reconciled.
Investment of Surplus Funds	The Shire should establish and document internal control procedures that should be followed by employees to ensure appropriate control over investments, in accordance with Regulation 19(1) of the Local Government (Financial Management) Regulations. Also, surplus funds should be invested in accordance with Investment Policy and monthly investment reconciliations should be prepared as required by the Policy.	Management is currently reviewing this process and will incorporate this as part of the end of month process to ensure staff are following the policies and procedures in relation to the investment portfolio. As of 30 June 2022, the one Term Deposit was matured on 25 June and was re-invested between 3 financial institutions in accordance with the investment policy.
Credit Note Authorisation Forms	The Shire should have a formal credit note authorisation form that should be completed by the Accounts Receivable Officer and authorised by an independent senior officer prior to processing credit notes. The Shire should also perform an independent review of credits notes issued periodically and such review should be documented and retained.	Management will ensure all debtor credit note authorisation forms are properly approved and signed off, however, the existing form has not included a provision for an approver to sign, therefore the form will be updated.
Cancelled Receipts	We recommend that cancelled receipts be reviewed promptly by an officer independent of the receipting function.	The form will be updated to include a provision for a Manager/CEO approval section. Management will investigate and put in place an end of month process to verify receipt cancellations during the month.

Asset Disposal Forms	Management should introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should include appropriate authorisation within the form.	Management will review and update the form to capture the approval of disposal by management as this was not provided for when the form was developed.
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Staff will provide additional comment on the Findings and an update of actioning recommendations at the meeting.

### Consultation

OAG / Auditors

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Deputy Chief Executive Officer

### Policy Implications

Nil

### Strategic Implications

#### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.2

#### Asset Management Plan

Nil

#### Long Term Financial Plan

Nil

### Statutory Implications

The *Local Government (Audit) Regulations 1996* provides the legislative framework for the conduct of audits in local government, and the role of the Audit & Risk Committee in considering the results of those audits.

### Risk Implications

<b>Risk Profiling Theme</b>	Failure to fulfil statutory regulations or compliance requirements
<b>Risk Category</b>	Compliance
<b>Risk Description</b>	No noticeable regulatory or statutory impact
<b>Consequence Rating</b>	Minor (2)
<b>Likelihood Rating</b>	Unlikely (2)
<b>Risk Matrix Rating</b>	Low (4)
<b>Key Controls (in place)</b>	Governance Management Framework; Governance Calendar
<b>Action (Treatment)</b>	Document Governance Framework

<b>Risk Rating (after treatment)</b>	Adequate
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**Financial Implications**

Nil

**Voting Requirements**

Simple Majority  Absolute Majority

**Officer's Recommendation/Resolution - 7.2**

**Moved:** Cr Ward **Seconded:** Cr McMorran

**0635** That, in accordance with the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

1. Receives the Auditor's Interim Audit Management Report, as presented in Attachment 7.2A, from Macri Partners Chartered Accountants for the 2021/22 financial year;
2. Notes the Management Comment and Actions taken to address the Findings contained in the Auditor's Interim Audit Management Report; and
3. Recommends to Council that it receives the Auditor's Interim Audit Management Report, as presented in Attachment 7.2A, from Macri Partners Chartered Accountants for the 2021/22 Interim Audit.

**CARRIED 4/0**

### 7.3 Review of Business Continuity Plan

## Governance & Compliance



<b>Date:</b>	19 July 2022
<b>Location:</b>	Not Applicable
<b>Responsible Officer:</b>	Rebecca McCall, Chief Executive Officer
<b>Author:</b>	Linley Dreghorn, Executive & Governance Officer
<b>Legislation:</b>	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>
<b>Sharepoint Reference:</b>	Organisation/Financial Management/Internal Audit Systems & Controls/Business Continuity Plan
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	<a href="#">Attachment 7.3A</a> - Business Continuity Plan

#### Purpose of Report



Executive Decision



Legislative Requirement

#### Summary

This Item presents the reviewed Business Continuity Plan (BCP) to the Audit & Risk Committee (the Committee) for consideration and, if satisfactory, recommendation to Council for adoption.

#### Background

Council adopted the BCP at its March 2020 meeting (CMRef 0164). The Shire of Dowerin BCP is aimed at ensuring the continuity of business operations, with minimal disruption, in the event of a disaster. Without such a plan the Shire may struggle to manage such an event amidst the confusion that often follows a disaster.

The BCP provides a structured approach to business continuity and disaster recovery planning. Through the provision of preventative measures and recovery procedures, the impact of any potential disaster may be significantly reduced.

The BCP was enacted on 20 March 2020 as a result of the COVID-19 pandemic. While the focus for the organisation has been in responding to the implications of the pandemic, the BCP was reviewed in March 2021 (CMRef 0382).

It was necessary to review the BCP to consider necessary amendments due to the organisation re-structure and insurance policy adjustments.

#### Comment

The review included the updates and amendments to Key Contacts, both internal and external.

#### Consultation

Rebecca McCall, CEO

Aaron Wooldridge, DCEO

### Policy Implications

Policy 2.2 – Risk Management Policy is applicable.

### Strategic Implications

#### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.2

#### Asset Management Plan

Nil

#### Long Term Financial Plan

Nil

### Statutory Implications

Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the CEO to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to risk management, internal control and legislative compliance.

The BCP is an informing plan to these systems and procedures.

### Risk Implications

<b>Risk Profiling Theme</b>	Failure to fulfil statutory regulations or compliance requirements
<b>Risk Category</b>	Compliance
<b>Risk Description</b>	No noticeable regulatory or statutory impact
<b>Consequence Rating</b>	Insignificant (1)
<b>Likelihood Rating</b>	Rare (1)
<b>Risk Matrix Rating</b>	Low (1)
<b>Key Controls (in place)</b>	Governance Management Framework
<b>Action (Treatment)</b>	Document Governance Management Framework
<b>Risk Rating (after treatment)</b>	Adequate

### Financial Implications

The actions included in the BCP will have financial implications to Council, however these are unknown and will depend on the scenario in which the BCP is to be put into effect.

### Voting Requirements

Simple Majority

Absolute Majority

### Officer's Recommendation/Resolution - 7.3

**Moved:** Mr D Armstrong

**Seconded:** Cr Ward

**0636**

**That, in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:**

- 1. Receives the reviewed Business Continuity Plan, as presented in Attachment 7.3A; and**
- 2. Recommends to Council that it adopts the Business Continuity Plan.**

**CARRIED 4/0**



<b>8.</b>	<b>Questions from Members</b>
	Nil
<b>9.</b>	<b>Urgent Business Approved by the Person Presiding or by Decision</b>
	Nil
<b>10.</b>	<b>Date of the Next Meeting</b>
	Workshop to discuss the draft AMP & LTFP Tuesday 6 September
<b>11.</b>	<b>Closure</b>
	The Chair thanked those in attendance and declared the Meeting closed at 2.46pm



SHIRE OF  
**DOWERIN**  
TIN DOG TERRITORY

# MINUTES

## Audit & Risk Committee Meeting

Held in Council Chambers  
13 Cottrell Street, Dowerin WA 6461  
8 March 2022



**ABN: 35 939 977 194**

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<b>3.</b>	<b>Public Question Time</b>
<b>4.</b>	<b>Disclosure of Interest</b>
<b>5.</b>	<b>Confirmation of Minutes of the Previous Meetings</b>
5.1	<a href="#">Minutes of the Audit &amp; Risk Committee Meeting held on 21 December 2021</a>
<b>6.0</b>	<b>Presentations</b>
<b>7.</b>	<b>Officer's Reports</b>
7.1	<a href="#">Risk Dashboard Quarterly Report - March 2022</a>
7.2	<a href="#">2020/21 Annual Report &amp; Annual Electors Meeting</a>
7.3	<a href="#">2021 Compliance Audit Return</a>
7.4	<a href="#">Policy 2.2 - Risk Management Policy and Risk Management Framework Review</a>
<b>8.</b>	<b>Questions from Members</b>
<b>9.</b>	<b>Urgent Business Approved by the Person Presiding or by Decision</b>
<b>10.</b>	<b>Date of Next Meeting</b>
<b>11.</b>	<b>Closure</b>

Shire of Dowerin  
Audit & Risk Committee Meeting  
8 March 2022



**1. Official Opening**

The Chair welcomed those in attendance and declared the Meeting open at 9.10am.

**2. Record of Attendance / Apologies / Leave of Absence**

**Committee Members:**

Cr RI Trepp	President & Chair
Cr BA Ward	Deputy President
Mrs TA Jones	
Mr D Armstrong	

**Staff:**

Ms R McCall	Chief Executive Officer
Mr A Wooldridge	Manager Corporate & Community Services
Ms L Dreghorn	Executive & Governance Officer

**Apologies:** Cr NP McMorran

**Approved Leave of Absence:** Nil

**3. Public Question Time**

Nil

**4. Disclosure of Interest**

Nil

**5. Confirmation of Minutes of the Previous Meeting(s)**

5.1 Audit & Risk Committee Meeting held on 21 December 2021

**Attachment 5.1A**

**Voting Requirements**



Simple Majority



Absolute Majority

**Officer's Recommendation/Resolution**

**Moved:** Mrs Jones

**Seconded:** Cr Ward

**0564** That, in accordance with Sections 3.18 and 5.22(2) of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held on 21 December 2021, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

**CARRIED 4/0**

**6. PRESENTATIONS**

Nil

## 7. OFFICER'S REPORTS

### 7.1 Risk Dashboard Quarterly Report – March 2022

<h1>Governance &amp; Compliance</h1>		 <b>SHIRE OF DOWERIN</b> TIN DOG TERRITORY
<b>Date:</b>	28 February 2022	
<b>Location:</b>	Not Applicable	
<b>Responsible Officer:</b>	Rebecca McCall, Chief Executive Officer	
<b>Author:</b>	As Above	
<b>Legislation:</b>	<i>Local Government Act 1995</i>	
<b>Sharepoint Reference:</b>	Compliance/Risk Management/Reporting	
<b>Disclosure of Interest:</b>	Nil	
<b>Attachments:</b>	<b>Attachment 7.1A</b> - Risk Dashboard Quarterly Report – March 2022	

#### Purpose of Report



Executive Decision



Legislative Requirement

#### Summary

This Item presents the Risk Dashboard Quarterly Review to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

#### Background

The Shire of Dowerin's Risk Management Policy, in conjunction with the Risk Management Framework, sets out the Shire's approach to the identification, assessment, management and monitoring of risks.

Appropriate governance of risk management within the Shire provides:

1. Transparency of decision making;
2. Clear identification of the roles and responsibilities of the risk management functions; and
3. An effective governance structure to support the Risk Management Framework.

The Audit & Risk Committee has a role to play and its responsibilities include:

1. Regular review of the appropriate and effectiveness of the Risk Management Framework;
2. Support Council to provide effective corporate governance;
3. Oversight of all matters that relate to the conduct of external audits; and
4. Must be independent, objective and autonomous in deliberations.

It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and efficiency of controls and appropriateness of treatment/action options selected, it can be determined if the organisation's resources are being put to the best use possible. During the

quarterly reporting process, management are required to review any risks within their area and follow up controls and treatments/actions that are mitigating those risks.

Comment
---------

The reviewed Risk Dashboard is included as an Attachment for the Audit & Risk Committee's perusal and comment.

The following comments against current actions are noted:

**Asset Management**

Action: Road condition data to be updated in RAMM annually

Comment: Yet to be completed

Action: Revaluation of sewerage assets

Comment: Contractor appointed, timeline extended due to increased scope of works

Action: Implement New Fuel Stock Control System

Comment: Partially completed; fuel pods will be installed into new fleet

Action: Review of Asset Management Plan

Comment: Progressing, currently linking draft AMP and LTFP

Action: Review of Long-Term Financial Plan

Comment: Progressing, currently linking draft AMP and LTFP

KPI: Asset Renewal Funding Ratio Result 92%, worsening

KPI: Asset Consumption Ratio Result 59%, worsening

KPI: Asset Sustainability Ratio Result 69%, worsening

KPI: Accidents/Damage to Property Result 5 for quarter, worsening

**Business Disruption**

Action: Development of IT Disaster Recovery Plan

Comment: Deferred until MCCS has reviewed IT Systems and Controls

KPI: No quorum for LEMC meetings scheduled for June, August, and February

KPI: No LEM annual exercise due to unavailability of DFES personnel

**Compliance**

Action: Review of Asset Management Plan & Long-Term Financial Plan

Comment: Progressing, currently merging data between draft AMP and LTFP

Action: Review of Information Management System

Comment: Review deferred to provide the new MCCS time to carry out review

KPI: Regulation 53 of Building Regulations 2021 (pool Inspections)

Comment: Inspections to be arranged with new EHO

**Document Control**

Action: Review Record Keeping Plan

Comment: No capacity to complete inhouse, need to engage a consultant

**Employment Practices**

Action: Review of Staff Induction process

Comment: Review commenced.

Action: Develop Health & Wellbeing Plan

Comment: Completion deferred to March 2022 for July 2022 implementation, no budget allocation

**Environmental Management**

Action: Address Compliance of Waste Water Re-Use

Comment: Contracted EHO progressing license renewal

### **Management of Facilities/Venues/Events**

Action: Develop Event Management Framework

Comment: EMP in place, framework ongoing, deferred due date to June 2022

Action: Public Buildings Inspected Annually for Compliance

Comment: Inspections commenced; Discuss inspection schedule with new EHO

### **Safety and Security Practices**

Action: Assess Shire Building and Facility Safety and Security

Comment: Arrange EHO onsite visit to conduct assessment

Action: Develop Isolated Worker Management Procedure

Comment: Progressing; to be presented to WHS Committee March 2022

Action: Conduct Annual BCP and LEMC Drills

Comment: Waiting on DFES to coordinate LEMC Drill; BCP drill underway

### **IT and Communication Systems**

Action: Document IT Infrastructure Replacement Program

Comment: To be developed prior to December 2022

#### **Consultation**

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Manager Corporate & Community Services

Les Vidovich, Manager Works & Assets

Linley Dregghorn, Executive & Governance Officer

#### **Policy Implications**

Policy 2.2 - Risk Management Policy is applicable.

#### **Strategic Implications**

### **Strategic Community Plan**

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government

Outcome: 5.3

Reference: 5.3.1

### **Asset Management Plan**

Identified key controls and actions associated with asset management are factored into the Asset Management Plan.

### **Long Term Financial Plan**

Identified key controls and actions associated with financial management are factored into the Long Term Financial Plan.

#### **Statutory Implications**

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are applicable.

#### **Risk Implications**

The Shire of Dowerin has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

### Financial Implications

Many of the actions required to manage the risks identified will require resourcing and are being progressed within the current budget allocations.

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation/Resolution

**Moved:** Cr Trepp

**Seconded:** Mr Armstrong

**0565** That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:

1. **Receives the quarterly Risk Dashboard Quarterly Report - March 2022, as presented in Attachment 7.1A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin;**
2. **Recommends to Council that it adopts the quarterly Risk Dashboard Quarterly Report - March 2022.**

**CARRIED 4/0**

Please note that the Audit & Risk Committee does not have delegated authority to make decisions. All recommendations of the Audit & Risk Committee are presented to Council for ratification.



**7.2 2020/21 Annual Report & Annual Electors Meeting**

## Corporate & Community Services



<b>Date:</b>	28 February 2022
<b>Location:</b>	Not Applicable
<b>Responsible Officer:</b>	Aaron Wooldridge, Manager Corporate & Community Services
<b>Author:</b>	Linley Dreghorn, Executive & Governance Officer
<b>Legislation:</b>	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>
<b>Sharepoint Reference:</b>	Organisation/Corporate Management/Reporting/2020-21 Annual Report
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	<a href="#">Attachment 7.2A</a> - 2020/21 Annual Report

### Purpose of Report



Executive Decision



Legislative Requirement

### Summary

This Item presents the 2020/21 Annual Report & Audited Financial Report to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption.

### Background

The annual financial statements for the year ended 30 June 2021 have been audited by the Auditors under the Office of the Auditor General (OAG).

The 2020/21 Annual Report which includes the audited financial report and OAG's Opinion Letter is included as an Attachment.

### Comment

Pursuant to its Terms of Reference, it is relevant that the Audit & Risk Committee considers the 2020/21 Annual Report and where appropriate, makes recommendation(s) in respect of the report.

In accordance with Section 7.9 of the *Local Government Act 1995*, an Auditor is required to examine the accounts and annual financial report submitted by a local government for audit. The Auditor is also required, by 31 December following the financial year to which the accounts and report relate, to prepare a report thereon and forward a copy of that report to:

1. the Mayor or President;
2. the CEO of the local government; and
3. the Minister.

The Opinion Letter included with the 2020/21 Annual Report provides an overview of the audit process and outcomes, whilst also identifying any matters that, whilst generally not material in relation to the overall audit of the financial report, are nonetheless considered relevant to the day to day operations of Council.

Due to impacts of COVID-19 and the availability of Auditors, the End of Financial Year Report was not received until 15 February 2022. The Audit Exit Meeting took place on 15 February 2022.

## 2020/21 Annual Report

This year was the third year the Shire of Dowerin was audited by the OAG. The interim audit was conducted on-site from 20 and 21 May 2021. The process was rigorous and extensive.

### Annual Electors Meeting

Local governments are required to conduct an Annual Electors Meeting (AEM) not more than 56 days after adopting the Annual Report. A requirement of setting the date is that 14 days Local Public Notice is required for advertising the meeting. Provided that the 2020/21 Annual Report is endorsed by Council at its 15 March 2022 meeting it is recommended that the AEM be held on Tuesday 29 March 2022. The date is suggested as it will be prior to school holidays meaning most people will be in the district before seeding commences. It also allows enough time for the minimum 14 day notification period.

### Discussion with the OAG and Auditors

Representatives from the OAG and Macri Partners Chartered Accountants conducted the Exit Interview which discussed the Opinion Letter and other relevant matters with the President, CEO and MCCS via teleconference on Tuesday 15 February 2022.

There were two significant findings as per the attached Auditors Report:

a) The Operating Surplus Ratio as reported in Note 32 of the annual financial report has been below the Department of Local Government, Sport and Cultural Industries' standard for the last three financial years.

a) For approximately 35% of the purchase transactions sampled, the same staff who issued and approved the purchase orders also receipted goods or services and authorised the related supplier invoices. This practice increases the risk of fraud or error occurring without timely detection. However, all these transactions were for business purposes.

### Consultation

OAG / Auditors

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Manager Corporate & Community Services

Linley Dreghorn, Executive & Governance Officer

Local Public Notice is required to be provided on the availability of the Annual Report and the Annual Electors Meeting.

### Policy Implications

Nil

### Strategic Implications

#### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government.

Outcome: 5.3

Reference: 5.3.2

#### Asset Management Plan

Nil

#### Long Term Financial Plan

Nil

## Statutory Implications

Sections 5.27, 5.29, 5.53 and 5.54 of the *Local Government Act 1995* are applicable and state:

### **“5.27. Electors’ general meetings**

- (1) *A general meeting of the electors of a district is to be held once every financial year.*
- (2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
- (3) *The matters to be discussed at general electors’ meetings are to be those prescribed.*

### **5.29. Convening electors’ meetings**

- (1) *The CEO is to convene an electors’ meeting by giving —*
  - (a) *at least 14 days’ local public notice; and*
  - (b) *each council member at least 14 days’ notice,**of the date, time, place and purpose of the meeting.*
- (2) *The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time the notice is first given and is to continue in the prescribed way until the meeting has been held.*

### **5.53. Annual reports**

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain —*
  - (a) *a report from the mayor or president; and*
  - (b) *a report from the CEO; and*
  - [(c), (d) *deleted*]
  - (e) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
  - (f) *the financial report for the financial year; and*
  - (g) *such information as may be prescribed in relation to the payments made to employees; and*
  - (h) *the auditor’s report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and*
  - (ha) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
  - (hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
    - (i) *the number of complaints recorded in the register of complaints; and*
    - (ii) *how the recorded complaints were dealt with; and*
    - (iii) *any other details that the regulations may require;**and*
    - (i) *such other information as may be prescribed.*

### **5.54. Acceptance of annual reports**

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.*

*\* Absolute majority required.*

- (2) *If the auditor’s report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor’s report becomes available.”*

Regulation 3A of the *Local Government (Administration) Regulations 1996* stipulates the requirements for providing Local Public Notice and states:

**“3A. Requirements for local public notice (Act s. 1.7)**

- (1) *For the purposes of section 1.7(a), notice of a matter must be published on the local government’s official website for –*
  - (a) *the period specified in or under the Act in relation to the notice; or*
  - (b) *if no period is specified in relation to the notice – a period of not less than 7 days.*
- (2) *For the purposes of section 1.7(b), each of the following ways of giving notice of a matter is prescribed –*
  - (a) *publication in a newspaper circulating generally in the State;*
  - (b) *publication in a newspaper circulating generally in the district;*
  - (c) *publication in 1 or more newsletters circulating generally in the district;*
  - (d) *publication on the official website of the Department or another State agency, as appropriate having regard to the nature of the matter and the persons likely to be affected by it, for –*
    - (i) *the period specified in or under the Act in relation to the notice; or*
    - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days;*
  - (e) *circulation by the local government by email, text message or similar electronic means, as appropriate having regard to the nature of the matter and the persons likely to be affected by it;*
  - (f) *exhibition on a notice board at the local government offices and each local government library in the district for –*
    - (i) *the period specified in or under the Act in relation to the notice; or*
    - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days;*
  - (g) *posting on a social media account administered by the local government for –*
    - (i) *the period specified in or under the Act in relation to the notice; or*
    - (ii) *if no period is specified in relation to the notice – a period of not less than 7 days.”*

The *Local Government (Audit) Regulations 1996* provides the legislative framework for the conduct of audits in local government, and the role of the Audit & Risk Committee in considering the results of those audits.

<b>Risk Implications</b>
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<b>Risk Profiling Theme</b>	Failure to fulfil statutory regulations or compliance requirements
<b>Risk Category</b>	Compliance
<b>Risk Description</b>	No noticeable regulatory or statutory impact
<b>Consequence Rating</b>	Insignificant (1)
<b>Likelihood Rating</b>	Rare (1)
<b>Risk Matrix Rating</b>	Low (1)
<b>Key Controls (in place)</b>	Governance Management Framework
<b>Action (Treatment)</b>	Document Governance Management Framework
<b>Risk Rating (after treatment)</b>	Adequate

### Financial Implications

The Dowerin Despatch costs for advertising can be accommodated within current budget allocations. The costs for notification in accordance with Regulation 3A(2)(e), (f) and (g) will be negligible and can be accommodated within current budget allocations.

Similarly, any costs associated with conducting the AEM will be negligible and can be accommodated within current budget allocations.

### Voting Requirements

Simple Majority

Absolute Majority

### Officer's Recommendation/Resolution

**Moved:** Cr Ward


**Seconded:** Mrs Jones

**0566** That, in accordance with Sections 5.27, 5.29, 5.53 and 5.54 of the *Local Government Act 1995*, the Audit & Risk Committee:

1. **Accepts the 2020/21 Annual Report, as presented in Attachment 7.2A, for the 2020/21 financial year;**
2. **Recommends to Council that it adopts the 2020/21 Annual Report, as presented in Attachment 7.2A, for the 2020/21 financial year; and**
3. **Recommends to Council that it conducts its Annual Electors Meeting on Tuesday 29 March 2022 at the Lesser Hall, Cottrell Street Dowerin commencing at 6.00pm.**

**CARRIED 4/0**

### 7.3 2021 Compliance Audit Return

<h2>Governance &amp; Compliance</h2>		 <b>SHIRE OF DOWERIN</b> TIN DOG TERRITORY
<b>Date:</b>	28 February 2022	
<b>Location:</b>	Not Applicable	
<b>Responsible Officer:</b>	Rebecca McCall, Chief Executive Officer	
<b>Author:</b>	Linley Dreghorn, Executive & Governance Officer	
<b>Legislation:</b>	<i>Local Government Act 1995</i>	
<b>Sharepoint Reference:</b>	Organisation/Governance/Committees/2022 March Audit & Risk Committee Meeting Organisation/Corporate Management/Reporting/2021 Compliance Audit Return	
<b>Disclosure of Interest:</b>	Nil	
<b>Attachments:</b>	<b>Attachment 7.3A</b> - 2021 Compliance Audit Return	

#### Purpose of Report

Executive Decision



Legislative Requirement

#### Summary

This Item presents the 2021 Compliance Audit Return (CAR) to the Audit & Risk Committee (the Committee) for consideration and, if satisfactory, recommendation to Council for adoption.

#### Background

Each year every local government is required to carry out a compliance audit in relation to the period 1 January to 31 December against the requirements of the CAR.

After the CAR has been reviewed by the Committee and presented to Council, a copy certified by the President and CEO along with the relevant section of the minutes and any additional information explaining or qualifying the CAR, is to be submitted to the Department of Local Government, Sport and Cultural Industries (DLGSC) by 31 March.

The CAR is one of the tools available to the Committee and Council in its governance monitoring role. The CAR also forms part of the DLGSC's monitoring program. The 2021 CAR once again places emphasis on the need for the Committee and Council to be aware of and acknowledge instances of non-compliance or where full compliance was not achieved. In addition, the CAR requires Council to endorse details of remedial action either taken or proposed to be taken to prevent future like occurrences.

The 2021 CAR contains questions relating to:

1. Commercial Enterprises by Local Governments (5 questions);
2. Delegation of Power/Duty (13 questions);
3. Disclosure of Interest (25 questions);
4. Disposal of Property (2 questions);
5. Elections (Gift Register) (3 questions);
6. Finance (7 questions);
7. Integrated, Planning and Reporting (3 questions);
8. Local Government Employees (6 questions);
9. Official Conduct (3 questions)

10. Optional Questions (9 questions); and
11. Tenders for Providing Goods and Services (22 questions).

The 2021 CAR was completed internally and involved collection of documents, verification of compliance and, where useful and applicable, recommendations in relation to improve any systems and processes that the Shire may have in place.

The CAR for the period 1 January 2021 to 31 December 2021 is included as Attachment 7.3A.

### Comment

The 2021 CAR identified three areas of partial non-compliance:

*'The Shire achieved a commendable level of compliance. Of the 98 areas examined there were only three where the Shire was partially non-compliant:*

1. *'Delegation of Power/Duty' question 5 - section 5.18 requires council to review delegations to its committees each financial year.*

*A review of the delegations was conducted in June of 2020 and presented to Council at its Ordinary Council Meeting, Item 11.5 CMRef 0214 and again at its Ordinary Council Meeting November 2021, Item 12.1 CMRef 0520. From this you can see that appropriate reviews were conducted annually, however it was not within the reporting financial year.*

2. *'Disclosure of Interest' question 13 - the Shire is required to publish a register of gifts received by relevant persons (essentially councillors and employees) under s5.87A and 5.87B of the Act on its website, remove the entries where a person no longer ceases to be a councillor or employee and keep them in a separate register which the public can then inspect by attendance at the Shire office.*

*The register on the Shire's website contained entries relating to former councillors and employees who are no longer relevant persons. The matter was easily fixed during the course of the audit.*

3. *'Finance' question 3 - section 7.9(1) requires an auditor to examine the accounts and annual financial report submitted for audit and, prepare a report thereon and forward a copy of that report to (a) the mayor or president, (b) the CEO of the local government; and (c) the Minister.*

*The End of Financial Year Audit was conducted, however due to impacts of COVID-19 and the availability of Auditors and the OAG, the End of Financial Year Report was not received until 15 February 2022.*

*Overall, the systems and processes employed by the Shire appear robust and appropriate for a local government of its size.'*

These three areas, and the remedial action taken to ensure they do not occur again, are summarised in the following table:

Category	Question	Response	Comment	Remedial Action
Delegation of Power/Duty	Has council reviewed delegations to its committees in the 2020/2021 financial year?	No	A review was conducted in June 2020 Item 11.5, CMRef 0214 and in November 2021 Item 12.1, CMRef 0520	Ensure the Delegation requirement is captured in the Compliance Calendar to ensure an annual review is carried out within the financial year.
Disclosure of Interest	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records	No	The register on the website contained declarations from former Councillors and employees that should have been removed.	In addition to the SharePoint Register, there is a separate Register module on the Shire's website which contained declarations. This is a duplication, hence the human error in not removing non-

	relating to that person?			relevant declarations from the website Register. It is proposed to cease using the website Register and instead have a page on the website where the SharePoint Register is uploaded. This will remove the risk of having two registers and staff having to update the same information in both.
Finance	Was the auditor's report for the financial year ended 30 June 2021 received by the local government by 31 December 2021?	No	Auditor's report was received 17 February 2022	This was an unprecedented occurrence. Due to increasingly complex reporting and audit issues, delays carried over from State sector audits, COVID-19 as well as the availability of Auditors and the OAG, the audit process was delayed. A Letter was received from the OAG on 23 December 2021 communicating the delay. This was out of the Shire's control.

The 2021 CAR included 98 questions. Of these, 95 were able to be answered on the basis of complying with the legislative requirements resulting in a 96.94% success rate. This compares with 97.06% over 102 questions in 2020, 97% compliance over 104 questions in 2019, 94.7% compliance in 2018 over 95 questions and 98.9% over 94 questions in 2017.

The 2021 CAR demonstrates the Shire's ongoing commitment to statutory compliance and adequate response to non-compliance throughout the organisation.

### Consultation

Rebecca McCall, Chief Executive Officer  
Aaron Wooldridge, Manager Corporate & Community Services  
Linley Dreghorn, Executive & Governance Officer

### Policy Implications

Policy 2.2 – Risk Management Policy is applicable.

### Strategic Implications

#### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government.

Outcome:

Reference:



**Asset Management Plan**

Nil

**Long Term Financial Plan**

Nil

**Statutory Implications**

Section 7.13(1)(i) of the *Local Government Act 1995* requires local governments to carry out a compliance audit in a manner specified by Regulations.

Regulation 14 of the *Local Government (Audit) Regulations 1996* is applicable and states:

**“14. Compliance audits by local governments**

- (1) *A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.*
- (2) *After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.*
- (3A) *The local government’s audit committee is to review the compliance audit return and is to report to the council the results of that review.*
- (3) *After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be –*
  - (a) *presented to the council at a meeting of the council; and*
  - (b) *adopted by the council; and*
  - (c) *recorded in the minutes of the meeting at which it is adopted.”*

Regulation 15 of the *Local Government (Audit) Regulations 1996* requires a certified copy of the CAR to be provided to the DLGSC by 31 March:

**“15. Certified copy of compliance audit return and other documents to be given to Departmental CEO**

- (1) *After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with –*
  - (a) *a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and*
  - (b) *any additional information explaining or qualifying the compliance audit,**is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.*
- (2) *In this regulation –*

**certified** *in relation to a compliance audit return means signed by –*

  - (a) *the mayor or president; and*
  - (b) *the CEO.”*

**Risk Implications**

<b>Risk Profiling Theme</b>	Failure to fulfil statutory regulations or compliance requirements
<b>Risk Category</b>	Compliance
<b>Risk Description</b>	No noticeable regulatory or statutory impact
<b>Consequence Rating</b>	Insignificant (1)
<b>Likelihood Rating</b>	Rare (1)
<b>Risk Matrix Rating</b>	Low (1)
<b>Key Controls (in place)</b>	Governance Management Framework

<b>Action (Treatment)</b>	Document Governance Management Framework
<b>Risk Rating (after treatment)</b>	Adequate

**Financial Implications**

Nil

**Voting Requirements**

Simple Majority

Absolute Majority

**Officer's Recommendation/Resolution**

**Moved:** Mrs Jones

**Seconded:** Cr Ward

**0567** That, in accordance with Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

1. Receives the 2021 Compliance Audit Return, as presented in Attachment 7.3A, noting the remedial action taken to address the three areas of partial non-compliance; and
2. Recommends to Council that it adopts the 2021 Compliance Audit Return and submits it to the Department of Local Government, Sport & Cultural Industries prior to 31 March 2022.

**CARRIED 4/0**

**7.4 Policy 2.2 - Risk Management Policy and Risk Management Framework Review**

## Governance & Compliance



<b>Date:</b>	28 February 2022		
<b>Location:</b>	Not applicable		
<b>Responsible Officer:</b>	Rebecca McCall, Chief Executive Officer		
<b>Author:</b>	Linley Dreghorn, Executive & Governance Officer		
<b>Legislation:</b>	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996</i>		
<b>Sharepoint Reference:</b>	Compliance/Risk Framework	Management/Planning/Risk Management	Management
<b>Disclosure of Interest:</b>	Nil		
<b>Attachments:</b>	<a href="#">Attachment 7.4A</a> - Policy 2.2 - Risk Management Policy <a href="#">Attachment 7.4B</a> - Risk Management Framework		

### Purpose of Report



Executive Decision



Legislative Requirement

### Summary

This Item presents Policy 2.2 – Risk Management Policy and the Risk Management Framework for consideration and, if satisfactory, recommendation to Council for adoption.

### Background

The Shire of Dowerin’s Risk Management Policy and Framework sets out the Shire’s approach to the identification, assessment, management, reporting and monitoring of risks. All components of the Risk Management Framework are based on AS/NZS ISO 31000:2018 Risk Management - Guidelines.

It is essential that all areas of the Shire adopt these procedures to ensure:

1. Strong corporate governance;
2. Compliance with relevant legislation, regulations and internal policies;
3. Integrated Planning and Reporting requirements are met; and
4. Uncertainty and its effects on objectives is understood.

The Risk Management Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Shire along with existing time, resource and workload pressures.

Appropriate governance of risk management within the Shire provides:

1. Transparency of decision making;
2. Clear identification of the roles and responsibilities of the risk management functions; and
3. An effective Governance Structure to support the risk framework.

The Risk Management Framework is to be reviewed for appropriateness and effectiveness at least every two years, hence a review has been undertaken and the reviewed Risk Management Framework is included as an Attachment.

### Comment

The Shire adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, management and community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate and Operational Plans.

The risk management process is standardised across all areas of the Shire. It is essential to monitor and review the management of risks as changing circumstances may result in some risks increasing or decreasing in significance. By regularly reviewing the effectiveness and efficiency of controls and the appropriateness of treatment / action options selected, it can be determined if the organisation’s resources are being put to the best use possible. During the quarterly reporting process, management are required to review any risks within their area and follow up on controls and treatments / action that are mitigating those risks.

As the matter of risk management is a major component of the CEO’s review of certain systems and procedures required under Regulation 17 of the *Local Government (Audit) Regulations 1996*, and the role (in part) of the Audit Committee in accordance with Regulation 16 of the *Local Government (Audit) Regulations 1996*, is to review the report given to it by the CEO under Regulation 17, and to report to the Council the results of that review, as well as monitoring and advising the CEO when carrying out functions in relation to the Regulation 17 review, the Risk Management Policy and Risk Management Framework are presented to the Audit Committee for consideration.

The review in 2019 expanded the Policy to include Risk Assessment and Acceptance Criteria and also a Monitor and Review process. In addition, the Roles and Responsibilities were expanded to clearly define the CEO’s responsibilities relating to risk management.

This review has not identified any required changes to the policy or Risk Management Framework.

### Consultation

Senior Management Group

### Policy Implications

Council’s Risk Management Policy is applicable.

### Strategic Implications

#### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government.

Outcome:

Reference:

#### Asset Management Plan

Nil

#### Long Term Financial Plan

Nil

### Statutory Implications

The *Local Government Act 1995* and Regulation 17 of the *Local Government (Audit) Regulations* is applicable.

### Risk Implications

The Shire of Dowerin has a Risk Management Governance Framework which includes a policy and procedure. The framework provides tools to monitor the Shire’s risk profile on a quarterly basis. With the implementation of regular monitoring and review risk implications are considered low.

### Financial Implications

Nil

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation/Resolution

**Moved:** Mr Armstrong

**Seconded:** Mrs Jones

**0568** That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Committee:

1. **Receives Policy 2.2 - Risk Management Policy, as presented in Attachment 7.4A, and the Risk Management Framework, as presented in Attachment 7.4B; and**
2. **Recommends to Council that it adopts Policy 2.2 - Risk Management Policy and the Risk Management Framework.**

**CARRIED 4/0**

<b>8.</b>	<b>Questions from Members</b>
	Nil
<b>9.</b>	<b>Urgent Business Approved by the Person Presiding or by Decision</b>
	Nil
<b>10.</b>	<b>Date of the Next Meeting</b>
	Date to be confirmed in June 2022
<b>11.</b>	<b>Closure</b>
	The Chair thanked those in attendance and declared the Meeting closed at 10.19am



Department of  
**Local Government, Sport  
and Cultural Industries**

# **Local Government Reforms: Full Reform Proposals**



# Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>1.1 Early Intervention Powers</b>		
<ul style="list-style-type: none"> <li>• The Act provides the means to regulate the conduct of local government staff and council members and sets out powers to scrutinise the affairs of local government. The Act provides certain limited powers to:               <ul style="list-style-type: none"> <li>○ Suspend or dismiss councils</li> <li>○ Appoint Commissioners</li> <li>○ Suspend or order remedial action (such as training) for individual councillors.</li> </ul> </li> <li>• The Act also provides the Director General with the power to:               <ul style="list-style-type: none"> <li>○ Conduct Authorised Inquiries</li> <li>○ Refer allegations of serious or recurrent breaches to the State Administrative Tribunal</li> <li>○ Commence prosecution for an offence under the Act.</li> </ul> </li> <li>• Authorised Inquiries are a costly and relatively slow response to significant issues. Authorised Inquiries are currently the only significant tool for addressing significant issues within a local government.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate).</li> <li>• The Inspector would receive minor and serious complaints about elected members.</li> <li>• The Inspector would oversee complaints relating to local government Chief Executive Officers (CEOs).</li> <li>• Local Governments would still be responsible for dealing with minor behavioural complaints.</li> <li>• The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified.</li> <li>• The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the <i>Corruption, Crime and Misconduct Act 2003</i>, the <i>Occupational Safety and Health Act 1984</i>, the <i>Building Act 2011</i> and other legislation.</li> <li>• The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism.</li> <li>• The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations.</li> </ul>	<p>No major changes to the central concepts. Work to develop and refine detail is ongoing.</p>



CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>The Panel Report, City of Perth Inquiry and the Select Committee Report made various recommendations related to the establishment of a specific office for local government oversight.</li> </ul>	<ul style="list-style-type: none"> <li>The Inspector would be supported by a panel of Local Government Monitors (see item 1.2).</li> <li>The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3).</li> <li>Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4).</li> <li>These reforms would be supported by new powers to more quickly resolve issues within local government.</li> </ul>	
<b>1.2 Local Government Monitors</b>		
<ul style="list-style-type: none"> <li>There are currently no legislative powers for the provision of monitors/temporary advisors.</li> <li>The DLGSC provides support and guidance to local governments, however, there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases.</li> </ul>	<ul style="list-style-type: none"> <li>A panel of Local Government Monitors would be established.</li> <li>Monitors could be appointed by the Inspector to go into a local government and try to resolve problems.</li> <li>The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence.</li> <li>Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> <li>Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators</li> <li>Dispute resolution experts - to address the breakdown of professional working relationships</li> <li>Certified Practising Accountants and other financial specialists to assist with financial management and reporting issues</li> <li>Governance specialists and lawyers - to assist councils to resolve legal issues</li> <li>Human Resource and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction.</li> </ul> </li> </ul>	<p>No major changes to the central concepts. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>• Only the Inspector would have the power to appoint Monitors.</li> <li>• Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose.</li> </ul>	
<b>1.3 Conduct Panel</b>		
<ul style="list-style-type: none"> <li>• The Local Government Standards Panel was established in 2007 to resolve minor breach complaints relatively quickly and provide the sector with guidance and benchmarks about acceptable standards of behaviour.</li> <li>• Currently, the Panel makes findings of alleged breaches based on written submissions.</li> <li>• The City of Perth Inquiry report made various recommendations that functions of the Local Government Standards Panel be reformed.</li> </ul>	<ul style="list-style-type: none"> <li>• The Standards Panel is proposed to be replaced with a new Local Government Conduct Panel.</li> <li>• The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel.</li> <li>• The Inspector would provide evidence to the Conduct Panel for adjudication.</li> <li>• The Conduct Panel would have powers to impose stronger penalties – potentially including being able to suspend councillors for up to three months, with an appeal mechanism.</li> <li>• For very serious or repeated breaches of the <i>Local Government Act 1995</i> (the Act), the Conduct Panel would have the power to recommend prosecution through the courts.</li> <li>• Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision.</li> </ul>	<p>No major changes to the central concepts. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>1.4 Review of Penalties</b>		
<ul style="list-style-type: none"> <li>There are currently limited penalties in the Act for certain types of non-compliance with the Act.</li> </ul>	<ul style="list-style-type: none"> <li>Penalties for breaching the Act are proposed to be strengthened.</li> <li>It is proposed that the suspension of councillors (for up to three months) is established as the main penalty where a councillor breaches the Act or Regulations on more than one occasion.</li> <li>Councillors who are disqualified would not be eligible for sitting fees or allowances. They will also not be able to attend meetings or use their official office (such as their title or council email address).</li> <li>It is proposed that a councillor who is suspended multiple times may become disqualified from office.</li> <li>Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances.</li> </ul>	<p><b>Disqualifications</b></p> <p>It is further proposed to establish a provision that results in a person automatically becoming disqualified for 10 years from being an elected member at any local government in WA if they have been suspended three times (by either the Conduct Panel, State Administrative Tribunal or Minister).</p>
<b>1.5 Red Card Referrals</b>		
<ul style="list-style-type: none"> <li>Currently, local governments have different local laws and standing orders that govern the way meetings run. Presiding members (Mayors and Presidents) are reliant on the powers provided in the local government standing orders local laws.</li> <li>Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that Standing Orders are made consistent across Western Australia (see item 2.6). Published recordings of all meetings would also become standard (item 3.1).</li> <li>It is proposed that Presiding Members have the power to 'red card' any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would: <ul style="list-style-type: none"> <li>Require the Presiding Member to issue a clear first warning.</li> <li>If the disruptions continue, the Presiding Member will have the power to 'red card' that person, who must be silent for the rest of the meeting.</li> </ul> </li> </ul>	<p><b>Red Cards Not Progressed</b></p> <p>'Red Card Resolutions' will not be progressed. However, it is proposed that the new Meeting Procedure Regulations will have clear powers for Presiding Members to maintain order at meetings.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>Disruptive behaviour at council meetings is a very common cause of complaints. Having the Presiding Member be able to deal with these problems should more quickly resolve problems that occur at council meetings.</li> </ul>	<ul style="list-style-type: none"> <li>A councillor issued with a red card will still vote but must not speak or move motions.</li> <li>If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting.</li> <li>Any Presiding Member who uses the “red card” or ejection power will be required to notify the Inspector.</li> <li>Where an elected member refuses to comply with an instruction to be silent or leave, or where it can be demonstrated that the Presiding Member has not followed the law in using these powers, penalties can be imposed through a review by the Inspector.</li> </ul>	
<b>1.6 Vexatious Complaint Referrals</b>		
<ul style="list-style-type: none"> <li>No current provisions.</li> </ul>	<ul style="list-style-type: none"> <li>Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government’s operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner.</li> <li>Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person’s query.</li> <li>It is proposed that if a person makes repeated complaints to a local government CEO that are vexatious, the CEO will have the power to decide that the complainant is being unreasonable, and that they will no longer respond.</li> <li>A person who is deemed an unreasonable complainant can appeal to the Inspector.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>1.7 Other Minor Reforms</b>		
<ul style="list-style-type: none"> <li>Other minor reforms are being considered to enhance the oversight of local government.</li> <li>Ministerial Circulars have traditionally been used to guide the local government sector.</li> </ul>	<ul style="list-style-type: none"> <li>Potential other reforms to strengthen guidance for local governments are being considered.</li> <li>For example, one option being considered is the potential use of sector-wide guidance notices. Guidance notices could be published by the Minister or Inspector to give specific direction for how local governments should meet the requirements of the Act and Regulations. For instance, the Minister could publish guidance notices to clarify the process for how potential conflicts of interests should be managed.</li> <li>It is also proposed (see item 1.1) that the Inspector has the power to issue notices to individual local governments to require them to rectify non-compliance with the Act or Regulations.</li> </ul>	<p><b>Primary and Annual Returns</b> Based on submissions, reforms to Annual and Primary Returns will add new penalties for non-compliance, and powers for the Inspector to compel any person to correct a potential error or omission on their return.</p>

# Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>2.1 Resource Sharing</b>		
<ul style="list-style-type: none"> <li>The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs.</li> <li>Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing.</li> </ul>	<ul style="list-style-type: none"> <li>Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees.</li> <li>Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>2.2 Standardisation of Crossovers</b>		
<ul style="list-style-type: none"> <li>Approvals and standards for crossovers (the section of driveways that run between the kerb and private property) are inconsistent between local government areas, often with very minor differences.</li> <li>This can create confusion and complexity for homeowners and small businesses in the construction sector.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed to amend the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> to standardise the process for approving crossovers for residential properties and residential developments on local roads.</li> <li>A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this.</li> <li>The DLGSC will work with the sector to develop standardised design and construction standards.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>2.3 Introduce Innovation Provisions</b>		
<ul style="list-style-type: none"> <li>Currently, the Act has very limited provisions to allow for innovations and responses to emergencies (such as the Shire of Bruce Rock Supermarket).</li> </ul>	<ul style="list-style-type: none"> <li>New provisions are proposed to allow exemptions from certain requirements of the Act for:               <ul style="list-style-type: none"> <li>Short-term trials and pilot projects</li> <li>Urgent responses to emergencies.</li> </ul> </li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>2.4 Streamline Local Laws</b>		
<ul style="list-style-type: none"> <li>Local laws are required to be reviewed every eight years.</li> <li>The review of local laws (especially when they are standard) has been identified as a burden for the sector.</li> <li>Inconsistency between local laws is frustrating for residents and business stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that local laws would only need to be reviewed by the local government every 15 years.</li> <li>Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable.</li> <li>Local governments adopting Model Local Laws will have reduced advertising requirements.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>2.5 Simplifying Approvals for Small Business and Community Events</b>		
<ul style="list-style-type: none"> <li>Inconsistency between local laws and approvals processes for events, street activation and initiatives by local businesses is frustrating for business and local communities.</li> </ul>	<ul style="list-style-type: none"> <li>Proposed reforms would introduce greater consistency for approvals for:               <ul style="list-style-type: none"> <li>alfresco and outdoor dining</li> <li>minor small business signage rules</li> <li>running community events.</li> </ul> </li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>2.6 Standardised Meeting Procedures, Including Public Question Time</b>		
<ul style="list-style-type: none"> <li>Local governments currently prepare individual standing order local laws.</li> <li>The Act and regulations require local governments to allocate time at meetings for questions from the public.</li> <li>Inconsistency among the meeting procedures between local governments is a common source of complaints.</li> </ul>	<ul style="list-style-type: none"> <li>To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across Western Australia.</li> <li>Regulations would introduce standard requirements for public question time and the procedures for meetings generally.</li> </ul>	<p><b>Electors' Meetings</b> Further minor changes to Electors Meetings are proposed to:</p> <ul style="list-style-type: none"> <li>Increase the number of electors required to call an Electors' Special Meeting to 300 (from 100) or five per cent of the number of electors (whichever is less).</li> </ul>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>Members of the public across all local governments would have the same opportunities to address council and ask questions.</li> </ul>	<ul style="list-style-type: none"> <li>Allow a Presiding Member to refuse to hold a second Electors' Special Meeting if the matter raised has already been considered at a Special Electors' Meeting within the last 12 months (the local government would still have to refer the matter for inclusion on the agenda of the next Council Meeting)</li> <li>The new meeting procedures regulations will also apply to Electors' meetings, including the annual electors' meeting. This will enable the Presiding Member to maintain order while ensuring members of the public have a clear right to ask questions.</li> </ul>
<b>2.7 Regional Subsidiaries</b>		
<ul style="list-style-type: none"> <li>Initiatives by multiple local governments may be managed through formal Regional Councils or less formal "organisations of councils" such as NEWROC and WESROC.</li> <li>These initiatives typically have to be managed by a lead local government.</li> <li>In 2016-17, provisions were introduced to allow for the formation of Regional Subsidiaries.</li> <li>Regional Subsidiaries can be formed in line with the <i>Local Government (Regional Subsidiaries) Regulations 2017</i>.</li> <li>So far, no Regional Subsidiary has been formed.</li> </ul>	<ul style="list-style-type: none"> <li>Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> <li>enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments</li> <li>provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds</li> <li>where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk</li> <li>Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments.</li> </ul> </li> </ul>	<p><b>Financial Reporting</b> Streamlined financial reporting requirements will be extended for regional subsidiaries, so they only need to comply with band 3 and 4 model financial statement provisions.</p> <p><b>Borrowing for Projects</b> It is proposed to amend the Act to enable regional subsidiaries to borrow money for capital projects to achieve the purpose specified in the regional subsidiaries charter (subject to conditions, including within prescribed borrowing limits).</p>



# Theme 3: Greater Transparency & Accountability

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>3.1 Recordings and Live-Streaming of All Council Meetings</b>		
<ul style="list-style-type: none"> <li>• Currently, local governments are only required to make written minutes of meetings.</li> <li>• While there is no legal requirement for live streaming or video or audio recording of council meetings, many local governments now stream and record their meetings.</li> <li>• Issues relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments.</li> <li>• Local governments are divided into bands with the largest falling in bands 1 and 2, and smaller local governments falling bands 3 and 4. The allocation of local governments into bands is determined by The Salaries and Allowances Tribunal based on factors<sup>1</sup> such as:               <ul style="list-style-type: none"> <li>○ Growth and development</li> <li>○ Strategic planning issues</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed that all local governments will be required to record meetings.</li> <li>• Band 1 and 2 local governments would be required to live-stream meetings and make video recordings available as public archives.</li> <li>• Band 1 and 2 are larger local governments, are generally located in larger urban areas, with generally very good telecommunications infrastructure, and many already have audio-visual equipment.</li> <li>• Band 1 and 2 local governments would be required to live-stream meetings and make video recordings available as public archives.</li> <li>• Several local governments already use platforms such as YouTube, Microsoft Teams and Vimeo to stream and publish meeting recordings.</li> <li>• Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used.</li> <li>• Recognising their generally smaller scale, typically smaller operating budget, and potential to be in more remote locations, band 3 and 4 local governments would be required to record and publish audio recordings, at a minimum.</li> </ul>	<p><b>Limited Exemptions</b> It is proposed to allow for minor exemptions to the requirement for live-streaming in defined scenarios (for instance, for a council holding a meeting outside of council chambers, and with the prior written consent of the Inspector).</p>

<sup>1</sup> See page 3 of the [2018 Salaries and Allowance Tribunal Determination](#)

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>○ Demands and diversity of services provided to the community</li> <li>○ Total expenditure</li> <li>○ Population</li> <li>○ Staffing levels.</li> </ul>	<ul style="list-style-type: none"> <li>● These local governments would still be encouraged to Livestream or video record meetings.</li> <li>● All council meeting recordings would need to be published at the same time as the meeting minutes. Recordings of all confidential items would also need to be submitted to DLGSC for archiving.</li> </ul>	
<b>3.2 Recording All Votes in Council Minutes</b>		
<ul style="list-style-type: none"> <li>● A local government is only required to record which councillor voted for or against a motion in the minutes of that meeting if a request is made by an elected member at the time of the resolution during the meeting.</li> <li>● The existing provision does not mandate transparency.</li> </ul>	<ul style="list-style-type: none"> <li>● To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions be required to be published in the council minutes to identify those for, against, on leave, absent or who left the chamber.</li> <li>● Regulations would prescribe how votes are to be consistently minuted.</li> </ul>	No major changes. Work to develop and refine detail is ongoing.
<b>3.3 Clearer Guidance for Meeting Items that may be Confidential</b>		
<ul style="list-style-type: none"> <li>● The Act currently provides broad definitions of what type of matters may be discussed as a confidential item.</li> <li>● There is limited potential for the review of issues managed as confidential items under the current legislation.</li> </ul>	<ul style="list-style-type: none"> <li>● Recognising the importance of open and transparent decision-making, it is considered that confidential meetings and confidential meeting items should only be used in limited, specific circumstances.</li> <li>● It is proposed to make the Act more specific in prescribing items that may be confidential and items that should remain open to the public.</li> <li>● Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector.</li> <li>● All confidential items would be required to be audio recorded, with those recordings submitted to DLGSC.</li> </ul>	<p><b>Specific Provisions</b></p> <p>Proposed provisions for managing confidential items at council meetings (and preventing councils from unreasonably using confidentiality provisions to avoid public scrutiny) have been refined to:</p> <ul style="list-style-type: none"> <li>● clarify that only a limited part of a meeting specific to confidential information (e.g., receiving legal advice) may be closed</li> </ul>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
		<ul style="list-style-type: none"> <li>• specify that certain matters (town planning and development applications, budgeting, major land transactions, leases of local government property) must be held in full public view</li> <li>• Specify that certain matters (CEO appointment, management of behavioural complaints about elected members, local government cybersecurity) must be held confidentially</li> <li>• Require that any other matters proposed to be considered confidentially will require the prior approval of the Inspector.</li> </ul>
<b>3.4 Additional Online Registers</b>		
<ul style="list-style-type: none"> <li>• Local governments are required to provide information to the community through annual reports, council minutes and the publication of information online.</li> <li>• Regular online publication of information can substitute for certain material in annual reports.</li> <li>• Consistency in online reporting across the sector will provide ratepayers with better information.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to require local governments to report specific information in online registers on the local government's website. Regulations would prescribe the information to be included.</li> </ul> <p>The following new registers, each updated quarterly, are proposed:</p> <ul style="list-style-type: none"> <li>○ <b>Lease Register</b> to capture information about the leases the local government is a party to (either as lessor or lessee)</li> <li>○ <b>Community Grants Register</b> to outline all grants and funding provided by the local government</li> </ul>	<p>To clarify, the online register of contracts is only for the supply of goods and services and will not include direct employment contracts.</p> <p>To clarify, information about the identity of individual residential tenants of housing owned by the local government will not be required to be published on the online lease register.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>• These registers supplement the simplification of financial statements in Theme 6.</li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Interests Disclosure Register</b> that collates all disclosures made by elected members about their interests related to matters considered by council</li> <li>○ <b>Applicant Contribution Register</b> accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking</li> <li>○ <b>Contracts Register</b> that discloses all contracts above \$100,000.</li> </ul>	
<b>3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published</b>		
<ul style="list-style-type: none"> <li>• It is a requirement of the Act that CEO performance reviews are conducted annually.</li> <li>• The Model Standards for CEO recruitment and selection, performance review and termination require that a local government must review the performance of the CEO against contractual performance criteria.</li> <li>• Additional performance criteria can be used for performance review by agreement between both parties.</li> </ul>	<ul style="list-style-type: none"> <li>• To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: <ul style="list-style-type: none"> <li>○ Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period)</li> <li>○ The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period)</li> <li>○ The CEO has a right to provide written comments to be published alongside the KPIs and results to provide context as may be appropriate (for instance, the impact of events in that year that may have influenced the results against KPIs).</li> </ul> </li> </ul>	<p><b>Limited Exemptions</b></p> <p>It is proposed that a provision is included to allow councils to seek the Inspector’s approval not to publish a specific CEO KPI, if there is a clear public interest reason for doing so.</p>

# Theme 4: Stronger Local Democracy and Community Engagement

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>4.1 Community and Stakeholder Engagement Charters</b>		
<ul style="list-style-type: none"> <li>• There is currently no requirement for local governments to have a specific engagement charter or policy.</li> <li>• Many local governments have introduced charters or policies for how they will engage with their community.</li> <li>• Other Australian States have introduced a specific requirement for engagement charters.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to introduce a requirement for local governments to prepare a community and stakeholder engagement charter which sets out how local government will communicate processes and decisions with their community.</li> <li>• A model Charter would be published to assist local governments who wish to adopt a standard form.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only)</b>		
<ul style="list-style-type: none"> <li>• Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers.</li> <li>• These surveys provide valuable data on the performance of local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently managed ratepayer satisfaction survey.</li> <li>• Results would be required to be reported publicly at a council meeting and published on the local government's website.</li> <li>• All local governments would be required to publish a response to the results.</li> </ul>	<p><b>Standardised Questions</b> Based on requests from ratepayers, it is proposed that some standard questions be pre-defined in Regulation to allow for the comparison of results between local governments.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>4.3 Introduction of Preferential Voting</b>		
<ul style="list-style-type: none"> <li>The current voting method for local government elections is first-past-the-post.</li> <li>The existing first-past-the-post does not allow for electors to express more than one preference.</li> <li>The candidate with the most votes wins, even if that candidate does not have a majority.</li> <li>Preferential voting better captures the precise intentions of voters and as a result may be regarded as a fairer and more representative system. Voters have more specific choice.</li> </ul>	<ul style="list-style-type: none"> <li>Preferential voting is proposed to be adopted as the method to replace the current first past the post system in local government elections.</li> <li>In preferential voting, voters number candidates in order of their preferences.</li> <li>Preferential voting is used in State and Commonwealth elections in Western Australia and other states. This provides voters with more choice and control over who they elect.</li> <li>All other states use a form of preferential voting for local government.</li> </ul>	<p><b>Optional Preferential Voting</b></p> <p>Optional preferential voting is proposed, to ensure that electors may lodge a valid vote without numbering all candidates, if they wish to vote in that way.</p>
<b>4.4 Public Vote to Elect the Mayor and President</b>		
<ul style="list-style-type: none"> <li>The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: <ul style="list-style-type: none"> <li>by the electors of the district through a public vote; or</li> <li>by the council as a resolution at a council meeting.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Mayors and Presidents of all local governments perform an important public leadership role within their local communities.</li> <li>Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4.</li> <li>Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system.</li> <li>A number of Band 1 and Band 2 councils have already moved towards Public Vote to Elect the Mayor and President in recent years, including City of Stirling and City of Rockingham.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing. Transitional arrangements are under consideration.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>4.5 Tiered Limits on the Number of Councillors</b>		
<ul style="list-style-type: none"> <li>The number of councillors (between 5 and 15 councillors) is decided by each local government, reviewed by the Local Government Advisory Board and approved by the Minister.</li> <li>The Panel Report recommended electoral reforms to improve representativeness.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed to limit the number of councillors based on the population of the entire local government.</li> <li>Some smaller local governments have already been moving to have smaller councils to reduce costs for ratepayers.</li> <li>The <a href="#">Local Government Panel Report</a> proposed for a population of: <ul style="list-style-type: none"> <li>up to 5,000 – five councillors (including the President)</li> <li>between 5,000 and 75,000 – five to nine councillors (including the Mayor/President)</li> <li>above 75,000 – nine to fifteen councillors (including Mayor).</li> </ul> </li> </ul>	<p><b>Change for Smaller Local Governments</b> Based on requests from impacted councils, it is proposed to adjust this to allow local governments with a population of up to 5,000 people to decide to have 5, 6 or 7 councillors.</p>
<b>4.6 No Wards for Small Councils (Band 3 and 4 Councils only)</b>		
<ul style="list-style-type: none"> <li>A local government can make an application to be divided into wards with councillors elected to those wards.</li> <li>Only about 10% of band 3 and 4 local governments currently have wards.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that the use of wards for councils in bands 3 and 4 is abolished.</li> <li>Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government's election.</li> <li>In smaller local governments, the population of wards can be very small.</li> <li>These wards often have councillors elected unopposed or elect a councillor with a very small number of votes. Some local governments have ward councillors elected with less than 50 votes.</li> <li>There has been a trend in smaller local governments looking to reduce the use of wards, with only 10 councils in bands 3 and 4 still having wards.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing. Transitional arrangements are under consideration.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility</b>		
<ul style="list-style-type: none"> <li>• A person with a lease in a local government district is eligible to nominate as a candidate in that district.</li> <li>• A person with a lease in a local government district is eligible to apply to vote in that district.</li> <li>• The City of Perth Inquiry Report identified a number of instances where dubious lease arrangements put to question the validity of candidates in local government elections, and subsequently their legitimacy as councillors.</li> </ul>	<ul style="list-style-type: none"> <li>• Reforms are proposed to prevent the use of “sham leases” in council elections. Sham leases are where a person creates a lease only to be able to vote or run as a candidate for council.</li> <li>• The City of Perth Inquiry Report identified sham leases as an issue.</li> <li>• Electoral rules are proposed to be strengthened: <ul style="list-style-type: none"> <li>○ A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council</li> <li>○ Home-based businesses will not be eligible to register a person to vote or run for council because any residents are already the eligible voter(s) for that address</li> <li>○ Clarifying the minimum criteria for leases eligible to register a person to vote or run for council.</li> </ul> </li> <li>• The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home-based businesses (where the resident is already eligible) and very small sub-leases.</li> <li>• The basis of eligibility for each candidate (e.g., type of property and suburb of property) is proposed to be published, including in the candidate pack for electors.</li> </ul>	<p>Further work is being progressed to ensure the integrity of enrolment on the owner and occupier rolls for local government elections, including:</p> <ul style="list-style-type: none"> <li>• further definition to minimum lease requirements to exclude sham leases (while ensuring legitimate businesses are represented);</li> <li>• guidance to standardise evidence requirements for claiming eligibility based on a property lease or ownership; and</li> <li>• minor amendments to clarify and standardise disclosure and decision-making related to electoral gifts.</li> </ul>



CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>4.8 Reform of Candidate Profiles</b>		
<ul style="list-style-type: none"> <li>Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words.</li> </ul>	<ul style="list-style-type: none"> <li>Further work will be undertaken to evaluate how longer candidate profiles could be accommodated.</li> <li>Longer candidate profiles would provide more information to electors, potentially through publishing profiles online.</li> <li>It is important to have sufficient information available to assist electors to make informed decisions when casting their vote.</li> </ul>	<p>No major change to the proposal, though candidate profiles are likely to be published online, rather than on ballot papers.</p>
<b>4.9 Other Minor Electoral Reforms</b>		
<ul style="list-style-type: none"> <li>Other minor reforms are proposed to improve local government elections.</li> </ul>	<ul style="list-style-type: none"> <li>Reforms are proposed to include: <ul style="list-style-type: none"> <li>The introduction of standard processes for vote re-counts if there is a very small margin between candidates (e.g., where there is a margin of fewer than 10 votes a recount will always be required)</li> <li>The introduction of more specific rules concerning local government council candidates' use of electoral rolls.</li> </ul> </li> </ul>	<p><b>Recounts</b> It is proposed to provide candidates, or their nominated scrutineers, with a specific avenue to request a recount immediately at the counting of votes, if a set percentage margin in the count is within a limit to be prescribed in regulations.</p> <p><b>Filling Extraordinary Vacancies Following Elections</b> Based on input from the sector, it is proposed to create a new power to allow vacancies on councils arising up to twelve months after an election to be filled by the next highest-polling candidate.</p> <p><b>Election Timeframes</b> It is necessary to extend timeframes for elections in the Act to account for slower postal services.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
		<p><b>Electronic/Online Voting</b>  It is proposed to amend the Act to allow for the future implementation of electronic voting in elections (when the technology is deemed suitable). Regulations would then need to be developed.</p> <p><b>Extended Leave from Meetings</b>  Based on advocacy from the sector, it is proposed to provide a right for elected representatives to take up to six months' leave if they become a parent or guardian. Similarly, they may take up to six months of medical leave with a medical certificate.</p>

# Theme 5: Clear Roles and Responsibilities

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>5.1 Introduce Principles in the Act</b>		
<ul style="list-style-type: none"> <li>The Act does not currently outline specific principles.</li> <li>The Act contains a short “Content and Intent” section only.</li> <li>The Panel Report recommended greater articulation of principles</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed to include new principles in the Act, including:               <ul style="list-style-type: none"> <li>The recognition of Aboriginal Western Australians</li> <li>Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal)</li> <li>Community Engagement</li> <li>Financial Management.</li> </ul> </li> </ul>	<p>No major changes. Work to develop details and refine exact phrasing/wording is ongoing.</p>
<b>5.2 Greater Role Clarity</b>		
<ul style="list-style-type: none"> <li>The Act provides for the role of council, councillor, mayor or president and CEO.</li> <li>The role of the council is to:               <ul style="list-style-type: none"> <li>govern the local government’s affairs</li> <li>be responsible for the performance of the local government’s functions.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The <a href="#">Local Government Act Review Panel</a> recommended that roles and responsibilities of elected members and senior staff be better defined in law.</li> <li>It is proposed that these roles and responsibilities are further defined in the legislation.</li> <li>These proposed roles will be open to further consultation and input.</li> <li>These roles would be further strengthened through Council Communications Agreements (see item 5.3).</li> </ul>	<p>See below</p>
	<p><b>5.2.1 - Mayor or President Role</b></p> <ul style="list-style-type: none"> <li>It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President.</li> <li>While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for:               <ul style="list-style-type: none"> <li>Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council</li> </ul> </li> </ul>	<p>Minor changes in wording to provide that the presiding member is to exemplify respectful conduct.</p> <p>Work to develop details and refine exact phrasing/wording is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>○ Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act</li> <li>○ Developing and maintaining professional working relationships between councillors and the CEO</li> <li>○ Performing civic and ceremonial duties on behalf of the local government</li> <li>○ Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government.</li> </ul>	
	<p><b>5.2.2 – Council Role</b></p> <ul style="list-style-type: none"> <li>● It is proposed to amend the Act to specify the roles and responsibilities of the Council, which is the entity consisting of all of the councillors and led by the Mayor or President.</li> <li>● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is responsible for: <ul style="list-style-type: none"> <li>○ Making significant decisions and determining policies through democratic deliberation at council meetings</li> <li>○ Ensuring the local government is adequately resourced to deliver the local government’s operations, services and functions – including all functions that support informed decision-making by council</li> <li>○ Providing a safe working environment for the CEO</li> <li>○ Providing strategic direction to the CEO</li> <li>○ Monitoring and reviewing the performance of the local government.</li> </ul> </li> </ul>	<p>No major changes. Work to develop details and refine exact phrasing/wording is ongoing.</p>
	<p><b>5.2.3 – Elected Member (Councillor) Role</b></p> <ul style="list-style-type: none"> <li>● It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors.</li> </ul>	<p>No major changes. Work to develop details and refine exact phrasing/wording is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>• While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every elected councillor is responsible for:               <ul style="list-style-type: none"> <li>○ Considering and representing, fairly and without bias, the current and future interests of all people who live, work and visit the district (including councillors elected for a particular ward)</li> <li>○ Positively and fairly contributing and applying their knowledge, skill, and judgement to the democratic decision-making process of council</li> <li>○ Applying relevant law and policy in contributing to the decision-making of the council</li> <li>○ Engaging in the effective planning and review of the local government’s resources, and the performance of its operations, services, and functions</li> <li>○ Communicating the decisions and resolutions of council to stakeholders and the public</li> <li>○ Developing and maintaining professional working relationships with all other councillors and the CEO</li> <li>○ Maintaining and developing their knowledge and skills relevant to local government</li> <li>○ Facilitating public engagement with local government.</li> </ul> </li> <li>• It is proposed that elected members should not be able to use their title (e.g., “Councillor”, “Mayor”, or “President”) and associated resources of their office (such as email address) unless they are performing their role in their official capacity.</li> </ul>	
	<p><b>5.2.4 – CEO Role</b></p> <ul style="list-style-type: none"> <li>• The Act requires local governments to employ a CEO to run the local government administration and implement the decisions of council.</li> </ul>	<p>No major changes. Work to develop details and refine exact phrasing/wording is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>• To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs.</li> <li>• While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the CEO of a local government is responsible for: <ul style="list-style-type: none"> <li>○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions</li> <li>○ Facilitating the implementation of council decisions</li> <li>○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council</li> <li>○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council</li> <li>○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3)</li> <li>○ Overseeing the compliance of the operations of the local government with State and Commonwealth legislation on behalf of the council</li> <li>○ Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council.</li> </ul> </li> </ul>	
<b>5.3 Council Communication Agreements</b>		
<ul style="list-style-type: none"> <li>• The Act provides that council and committee members can have access to any information held by the local government that is relevant to the performance of the member's functions.</li> </ul>	<ul style="list-style-type: none"> <li>• In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided.</li> </ul>	

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>The availability of information is sometimes a source of conflict within local governments.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO.</li> <li>These Council Communication Agreements would clearly specify the information that is to be provided to councillors, how it will be provided, and the timeframes for when it will be provided.</li> <li>A template would be published by DLGSC. This default template will come into force if a council and CEO do not make a specific alternative agreement within a certain timeframe following any election.</li> </ul>	<p><b>Default Agreement</b></p> <p>The default agreement (to be developed in consultation with the sector) will start at the commencement of election caretaker periods. The CEO and an absolute majority of council must agree for an arrangement other than the default to apply.</p> <p>The agreement will specify <u>how</u> information should be requested and received. Provisions about the information elected members can access would be unchanged.</p>
<b>5.4 Local Governments May Pay Superannuation Contributions for Elected Members</b>		
<ul style="list-style-type: none"> <li>Elected members are eligible to receive sitting fees or an annual allowance.</li> <li>Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund.</li> <li>Councils should be reflective and representative of the people living within the district.</li> <li>Local governments should be empowered to remove any barriers to the participation of gender and age diverse people on councils.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation contributions for elected members. These contributions would be additional to existing allowances.</li> <li>Superannuation is widely recognised as an important entitlement to provide long term financial security.</li> <li>Other states have already moved to allow councils to make superannuation contributions for councillors.</li> <li>Allowing council to provide superannuation is an important part of encouraging equality for people represented on council – particularly for women and younger people. Providing superannuation to councillors recognises that the commitment to elected office can reduce a person’s opportunity to undertake employment and earn superannuation contributions.</li> </ul>	<p><b>Councils to Determine Whether to Pay Additional Superannuation Allowance</b></p> <p>No change, confirming councils will be able to decide whether to pay superannuation.</p> <p>This is based on the model recently introduced in New South Wales.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>5.5 Local Governments May Establish Education Allowances</b>		
<ul style="list-style-type: none"> <li>Local government elected members must complete mandatory training.</li> <li>There is no specific allowance for undertaking further education.</li> </ul>	<ul style="list-style-type: none"> <li>Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council.</li> <li>Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members.</li> <li>Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas and university studies, which relate to local government.</li> <li>Where it is made available, this allowance will help councillors further develop skills to assist with making informed decisions on important questions before council and provide professional development opportunities for councillors.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>5.6 Standardised Election Caretaker period</b>		
<ul style="list-style-type: none"> <li>There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures.</li> <li>This is commonly a point of public confusion.</li> </ul>	<ul style="list-style-type: none"> <li>A State-wide caretaker period for local governments is proposed.</li> <li>All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> <li>Councils do not make major decisions with criteria to be developed defining 'major'</li> <li>Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaign activities.</li> <li>There are consistent election conduct rules for all candidates.</li> </ul> </li> </ul>	<p><b>Limited Exemptions</b> It is proposed to include minor exemptions to allow councils to make specific decisions essential to ongoing operation of the local government during the caretaker period.</p>



CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>5.7 Remove WALGA from the Act</b>		
<ul style="list-style-type: none"> <li>The Western Australian Local Government Association (WALGA) is constituted under the Act</li> <li>The Local Government Panel Report and the Select Committee Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>The <a href="#">Local Government Panel Report</a> recommended that WALGA not be constituted under the Act.</li> <li>Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>
<b>5.8 CEO Recruitment</b>		
<ul style="list-style-type: none"> <li>Recent amendments introduced provisions to standardise CEO recruitment.</li> <li>The recruitment of a CEO is a very important decision by a local government.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that DLGSC establishes a panel of approved members to perform the role of the independent person on CEO recruitment panels.</li> <li>Councils will be able to select an independent person from the approved list.</li> <li>Councils will still be able to appoint people outside of the panel with the approval of the Inspector.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>

# Theme 6: Improved Financial Management and Reporting

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>6.1 Model Financial Statements and Tiered Financial Reporting</b>		
<ul style="list-style-type: none"> <li>• The financial statements published in the Annual Report are the main financial reporting currently published by local governments.</li> <li>• Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small (Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity.</li> <li>• The Office of the Auditor General has said that some existing reporting requirements are unnecessary or onerous - for instance, information that is not relevant to certain local governments, or that is a duplicate of other published information.</li> </ul>	<ul style="list-style-type: none"> <li>• The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance and prudent financial management in local government.</li> <li>• It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also supports community decision-making about local government services and projects.</li> <li>• Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments.</li> <li>• The Office of the Auditor General has identified opportunities to improve financial reporting, make statements clearer and reduce unnecessary complexity.</li> <li>• Recognising the difference in the complexity between smaller and larger local governments, it is proposed that financial reporting requirements should be tiered—meaning that larger local governments will have greater financial reporting requirements than smaller local governments.</li> <li>• It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils and simpler, clearer financial statements for bands 3 and 4.</li> </ul>	<p>No significant changes.</p> <p>Work on the Model Financial Statements is ongoing. It is expected that the new Model Financial Statements will be in place for the 2022-23 financial year.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<ul style="list-style-type: none"> <li>• Online Registers, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports. Standard templates will be published for use by local governments.</li> <li>• Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process.</li> </ul>	
<b>6.2 Simplify Strategic and Financial Planning</b>		
<ul style="list-style-type: none"> <li>• Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations.</li> <li>• There is also the Integrated Planning and Reporting (IPR) framework.</li> <li>• While many councils successfully apply IPR to their budgeting and reporting, IPR may seem complicated or difficult, especially for smaller local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• Clear information about the finances of local government enables informed public and ratepayer engagement and input to decision-making.</li> <li>• The framework for financial planning should be based around information being clear, transparent and easy for all ratepayers and members of the public to understand.</li> <li>• In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers.</li> <li>• Local governments would be required to adopt a standard set of plans, and there will be templates published by DLGSC for use or adaptation by local governments.</li> <li>• It is proposed that the plans that are required are: <ul style="list-style-type: none"> <li>○ Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives with a new plan required at least every eight years. These will be short-form plans with a template available from DLGSC</li> <li>○ Simplified Asset Management Plans to consistently forecast costs of maintaining the local government's assets.</li> </ul> </li> </ul>	<p><b>Borrowing Against Freehold Land</b></p> <p>A further amendment is proposed to allow a local government to borrow against the freehold (private/zoned) land it owns. Otherwise, no major changes. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
	<p>A new plan will be required at least every 10 years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g., land, buildings or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape</p> <ul style="list-style-type: none"> <li>○ Simplified Long Term Financial Plans will outline any long-term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years</li> <li>○ A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long-Term Financial Plan) providing a forecast to ratepayers (updated at least every four years)</li> <li>○ The use of simple, one-page Service Proposals and Project Proposals that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become Service Plans and Project Plans added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments.</li> </ul>	
<b>6.3 Rates and Revenue Policy</b>		
<ul style="list-style-type: none"> <li>• Local governments are not required to have a rates and revenue policy.</li> </ul>	<ul style="list-style-type: none"> <li>• The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<ul style="list-style-type: none"> <li>Some councils defer rate rises, resulting in the eventual need to drastically raise rates to cover unavoidable costs, especially for the repair of infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services.</li> <li>The Policy would need to reflect the Asset Management Plan and the Long-Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs.</li> <li>A template would be published for use or adaptation by all local governments.</li> <li>The <a href="#">Local Government Panel Report</a> included this recommendation.</li> </ul>	
<b>6.4 Monthly Reporting of Credit Card Statements</b>		
<ul style="list-style-type: none"> <li>No legislative requirement.</li> <li>Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds.</li> </ul>	<ul style="list-style-type: none"> <li>The statements of a local government's credit cards used by local government employees will be required to be tabled at council meetings on a monthly basis.</li> <li>This provides oversight of incidental local government spending.</li> </ul>	No major changes. Work to develop and refine detail is ongoing.
<b>6.5 Amended Financial Ratios</b>		
<ul style="list-style-type: none"> <li>Local governments are required to report seven ratios in their annual financial statements.</li> <li>These are reported on the MyCouncil website.</li> <li>These ratios are intended to provide an indication of the financial health of every local government.</li> </ul>	<ul style="list-style-type: none"> <li>Financial ratios will be reviewed in detail, building on work already underway by DLGSC.</li> <li>The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful.</li> </ul>	Further work on this is ongoing.

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>6.6 Audit Committees</b>		
<ul style="list-style-type: none"> <li>Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members.</li> <li>The Audit Committee is to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under the Act.</li> <li>The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management.</li> </ul>	<ul style="list-style-type: none"> <li>To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government.</li> <li>Audit Committees would also need to consider proactive risk management.</li> <li>To reduce costs it is proposed that local governments should be able to establish shared Regional Audit Committees.</li> <li>The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson.</li> </ul>	<p><b>No Requirement for Majority of Independent Members (only Independent Chair)</b></p> <p>Recognising the practical difficulty in recruiting independent people expressed by several local governments, the requirement for Audit Committees to have a majority of independent members will not be progressed.</p> <p>However, the requirement for an independent chairperson remains.</p> <p><b>Local Governments May Renumerate Independent Committee Members</b></p> <p>The Act will be amended to allow local governments to pay fees to committee members within Salaries and Allowances Tribunal limits.</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL
<b>6.7 Building Upgrade Finance</b>		
<ul style="list-style-type: none"> <li>The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance building improvements.</li> <li>This is not currently provided for under the Act.</li> <li>The Local Government Panel Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures.</li> <li>This would allow local governments to lend funds to improve buildings within their district.</li> <li>Limits and checks and balances would be established to ensure that financial risks are proactively managed.</li> </ul>	<p><b>Clarification – Lending Terms</b></p> <p>No major changes, but it should be clarified that financial institutions may provide the principal funds for the loan. Local governments would then collect repayments via rates notices (and pass on funds to any external lender) and would be able to foreclose on the land to recover debts using existing <i>Local Government Act 1995</i> provisions in the event of default by the borrower.</p> <p>Work to develop and refine detail is ongoing.</p>
<b>6.8 Cost of Waste Service to be Specified on Rates Notices</b>		
<ul style="list-style-type: none"> <li>No requirement for separation of waste charges on rates notice.</li> <li>Disclosure will increase ratepayer awareness of waste costs.</li> <li>The Review Panel Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service).</li> <li>This would provide transparency and awareness of costs for ratepayers.</li> </ul>	<p>No major changes. Work to develop and refine detail is ongoing.</p>

## Shire of Dowerin Risk Dashboard Report - June 2022

<b>Asset Management Practices</b>			Risk	Control
			Moderate	Adequate
Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal.				
Actions	Due Date	Responsibility		
Revaluation of Road Assets	N/A	CEO		
Update RAMM Annually	Jun-23	CEO		
Link Building Maintenance Schedule to AMP	Sep-22	DCEO		
Review Asset Management Plan	Apr-22	CEO & DCEO		
Review LTFP and Link to AMP	Sep-22	DCEO		
Review Fuel Stock Control System	Feb-21	CEO / DCEO / AWC		
Review Fuel Stock Control System	Sep-22	DCEO		
Implement New Fuel Stock Control System	Sep-22	CEO / DCEO / AWC		

<b>Business Disruption</b>			Risk	Control
			Moderate	Adequate
Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism).				
Actions	Due Date	Responsibility		
Annual LEM Exercise Undertaken	Jun 23	CEO		
Review Business Continuity Plan	Mar 23	CEO		
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO & DCEO		
Develop IT Disaster Recovery Plan	Dec 22	DCEO		
Fire Breaks Inspected and Enforced Annually	Nov 22	DCEO		
Fire Fighting Equipment Maintained and Serviced Annually	Sep 22	CEO		
Wardens (Internal) - Training of New Wardens	Completed	CEO & DCEO		
Admin Generator Maintained and Serviced	Monthly	CEO		
Review Managing Emergencies in Shire Facilities	Jun 22	CEO & DCEO		

<b>Failure to fulfil Compliance Requirements</b>			Risk	Control
			Moderate	Adequate
Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation.				
Actions	Due Date	Responsibility		
Document Governance Framework	Dec-22	CEO & EGO		
Continue Implementation of Training Program for Councillors and Staff	Ongoing	CEO, DCEO & EGO		
Review Councillor Induction Manual - Every 2 Years	Sep-23	EGO		
Review Human Resource Management Framework	Dec-22	CEO & DCEO		
Review Information Management System	Dec-22	DCEO		
End of Year Financial Audit - Prepare	Sep-22	DCEO		
Interim Audit Finding 30 June 2022 - Response to Findings	May-22	DCEO		
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	May-22	DCEO		

<b>Document Management Processes</b>			Risk	Control
			Moderate	Adequate
Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.				
Actions	Due Date	Responsibility		
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Completed	DCEO		
Refurbishment of Archive Room to Improve Compliance	Completed	CEO		
Review Sharepoint System	Dec-22	DCEO		
Review Information Management Framework	Dec-22	DCEO		
Information Management Staff Training	Ongoing	DCEO		
Review Record Keeping Plan	Sep-22	DCEO		

<b>Employment Practices</b>			Risk	Control
			Moderate	Adequate
Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).				
Actions	Due Date	Responsibility		
Develop a Health and Wellbeing Program	Aug-22	CEO & DCEO		
Review Workforce Plan	Dec-22	CEO & DCEO		
Create Checklist for Human Resource Management Framework	Dec-22	CEO & DCEO		
Update Training Register & Develop 2022/2023 Training Program	May-22	CEO & DCEO		
Review Staff Induction Process	Mar-20	DCEO		
Conduct Annual Drivers License Checks	Annually in Apr	DCEO		
Conduct Annual Performance Reviews	Annually in Apr	CEO & DCEO		

<b>Engagement Practices</b>			Risk	Control
			Moderate	Adequate
Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.				
Actions	Due Date	Responsibility		
Review Community Complaints, Feedback & Request Handling Process	Dec-22	CEO & DCEO		
Review Community Engagement Policy & Framework	Dec-22	CEO, DCEO & CDO		
Conduct Community Satisfaction Survey	Sep-22	CEO & CDO		
Review Process For Customer Response Requests	Dec-22	DCEO		
Review Customer Service Charter (every two years)	As Required	DCEO		
Review Customer Service Charter (every two years)	Sep-22	EGO		
Update Complaint Register (in accordance to Act)	As Required	DCEO		

<b>Environment Management</b>			Risk	Control
			Moderate	Adequate
Inadequate prevention, identification, enforcement and management of environmental issues.				
Actions	Due Date	Responsibility		
Develop Waste Water Management Plan & Program	Jun-23	CEO		
Develop Waste Management Plan & Program	Jun-23	CEO		
Complete Audit of Sewage System	Completed	CEO		
Address Compliance of Waste Management	Ongoing	CEO		
Address Compliance of Waste Water Re-Use	Sep-22	CEO		

<b>Errors, Omissions &amp; Delays</b>			Risk	Control
			Moderate	Adequate
Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.				
Actions	Due Date	Responsibility		
Review Employee Code of Conduct	Jul-22	CEO & EGO		
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO		
Centralise Checklists, Controls and Procedures	Dec-22	CEO & DCEO		
Review Customer Service Complaints & Request Process to include Snap Send Solve	Dec-22	DCEO		

<b>External Theft &amp; Fraud (Including Cyber)</b>			Risk	Control
			Moderate	Adequate
Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic).				
Actions	Due Date	Responsibility		
Review Access Controls to Include Key Register	No Date	CEO & DCEO		
Photographic Record of Minor Assets & Align With Minor Assets Register	Dec-22	DCEO		
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO		
Review Security and Storage of Records	Aug-22	DCEO		
Document Financial Management System	Dec-22	DCEO		

<b>Management of Facilities / Venues / Events</b>			Risk	Control
			Low	Adequate
Failure to effectively manage the day to day operations of facilities, venues and / or events.				

<b>IT or Communication Systems and Infrastructure</b>			Risk	Control
			Moderate	Adequate
Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.				

<b>Misconduct</b>			Risk	Control
			Moderate	Adequate
Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.				



## Shire of Dowerin Risk Dashboard Report - June 2022

Actions	Due Date	Responsibility
Develop Event Management Framework	Dec-22	CDO
Develop Reserves Management Register	Completed	DCEO
Create Inspection and Maintenance Schedules for Event Equipment	Dec-22	CDO
Undertake Community Facilities Review	Aug-22	CEO & CDO
Public Buildings Inspected Annually for Compliance	Oct-22	CEO

Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Dec-22	DCEO
Review IT Management Service Level Agreement	Dec-22	DCEO
Document IT Infrastructure Replacement Program	Dec-22	DCEO
Develop Secure Password Procedure	Dec-22	DCEO
Develop Secure Password Procedure	Completed	DCEO
Replacement of Phone System	Sep-21	DCEO
Document IT System Access Framework	Jun-21	DCEO

Actions	Due Date	Responsibility
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures	Jun-21	CEO & DCEO
Review Fuel Stock Control and Process	Dec-22	DCEO
Present Regulation 17 Review to Audit & Risk Committee - Every 3 Years	Dec-22	CEO
Review Purchasing Policy & Procurement Process	Dec-22	DCEO
Review Social Media Policy 3.11	Dec-22	EGO
Review Code of Conduct (Councillor)	Jul-23	CEO & EGO
Conduct Drivers Licence Check Annually	April Annually	CEO & DCEO

Project / Change Management	Risk	Control
	Moderate	Adequate
Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.		
Actions	Due Date	Responsibility
Develop Project Management Methodology and Framework	Dec-22	DCEO
Review Communication and Engagement Framework	Dec-22	CEO & CDO

Safety and Security Practices	Risk	Control
	Moderate	Adequate
Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are negligence or carelessness.		
Actions	Due Date	Responsibility
Review Hazard Register	Annually	CEO & DCEO
Update Staff Training Register	Ongoing	CEO & DCEO
Conduct Quarterly Workplace Inspections	Quarterly	CEO
Safe Work Method Statements (SWMS) Library	May-22	CEO
Assess Shire Building and Facility Safety and Security	Oct-22	CEO
Develop Isolated Worker Management Procedure	Oct-22	CEO
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	CEO
Review Managing Emergencies In Shire Facilities	Mar-23	CEO & DCEO
Conduct Annual BCP and LEMC Drills	Dec-22	CEO
Review Contractor Inductions and Register	Jun-22	CEO

Supplier / Contract Management	Risk	Control
	Moderate	Adequate
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.		
Actions	Due Date	Responsibility
Review Purchasing Policy	Completed	CEO & DCEO
Develop Standardised Contracts	Ongoing	CEO & DCEO
Document Financial Controls	Ongoing	DCEO
Develop Appropriate Financial Reporting Tools	Ongoing	DCEO
Develop Centralised Contract Management System	Ongoing	CEO & DCEO

# Asset Management Practices

Jun-22

## Risk Context

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal.

Areas included in the scope are;

- Inadequate design (not fit for purpose)
- Ineffective usage (down time)
- Outputs not meeting expectations
- Inadequate maintenance activities.
- Inadequate financial management and planning (capital renewal plan).

*It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.*

## Objective:

Maintain assets at a suitable level from procurement to disposal.

## Potential causes include;

Skill level & behaviour of operators	Unavailability of parts
Lack of trained staff	Lack of timely & appropriate maintenance / inspections
Outdated equipment	Unexpected breakdowns
Insufficient budget to maintain or replace assets	

Key Controls	Type	Last Reviewed	Rating
Roads Maintenance Program	Preventative	May-21	Adequate
Road Asset Management Program (RAMM)	Preventative	Apr-20	Adequate
Fleet and Plant Maintenance Program	Preventative	Jun-21	Adequate
Building Maintenance Program	Preventative	Jun-21	Adequate
Asset Management Plan	Preventative	Jun-18	Adequate
Plant Replacement Program	Preventative	Jun-21	Adequate
Sewerage Maintenance Plan & Program	Preventative	Oct-19	Inadequate
Road Strategy	Preventative		Adequate
Stock Control Systems (Fuel)	Preventative	May-20	Adequate
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
	Yes	Yes	Yes	Yes	No	
MWA	Yes	Yes	Yes	Yes	No	
MWA	Yes	Partial	Partial	No	No	
MWA	Yes	Yes	Partial	Yes	No	
MCCS	Yes	Yes	Partial	Partial	No	
MWA	Yes	Yes	Yes	Yes	No	
MWA	No	No	No	No	No	
MWA	Yes	Yes	Yes	Yes	No	
MCCS	Partial	Partial	Partial	Partial	Partial	Current system subject to fraud

Actions (Treatments)	Due Date	Responsibility
Revaluation of Road Assets	N/A	CEO
Revaluation of Sewerage System	Dec-22	CEO
Revaluation of Other Infrastructure (New Action)	Completed	DCEO
Revaluation of Land & Buildings (New Action)	Apr-23	CEO
Update RAMM Annually	Jun-23	CEO
Link Building Maintenance Schedule to AMP	Sep-22	DCEO
Review Asset Management Plan	Apr-22	CEO & DCEO
Review LTFP and Link to AMP	Sep-22	DCEO
Review Fuel Stock Control System	Completed	CEO
Implement New Fuel Stock Control System	Sep-22	DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			Completed 2020; FM Regulation no longer requires revaluation *
Dec-22	Apr-22		Draft Report provided to management for comment (5 year revalue cycle)
			Onsite inspection carried out; report due mid July 2022 (5 year revalue cycle)
			Revalue cycle every 5 years in accordance to FM Regulations
			Data updated in RAMMS; 22/23 program to be loaded throughout year
Dec-20	Apr-21	Jun-22	Postponing until updated AMP is finalised
Mar-20	Dec-20	Apr-22	Draft AMP; data to be cross referenced
Jun-20	Feb-21	Apr-22	Draft reviewed AMP & LTFP currently link; data needs to be cross referenced
Completed			Review identified control deficiencies
Nov-20	Feb-21	Sep-22	Partially completed; Pods will be installed once receive new fleet

Key Performance Indicators	Tolerance	Latest Result	Trend
Asset Renewal Funding Ratio	95%-105%	92%	Worsening
Asset Consumption Ratio	60%-75%	59%	Worsening
Asset Sustainability Ratio	90%-110%	69%	Worsening
AMP & LTFP	Reviewed Annually	Not Completed	Improving
Accidents and / or Damage to Property	<2 Per Quarter	11 for Quarter	Worsening

KPI / Action Data			
2021	2020	2019	Comments
92%	140%	135%	Rate annually in December
59%	60%	95%	Rate annually in December
69%	83%	143%	Rate annually in December
			Draft Plans in place, currently cross referencing data
8	4		Result December 2020 - 8; Rate annually in December

## Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Financial	Consequence:	Moderate (3)
	Likelihood:	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

## Additional / Final Comments

Reviewed by Management Team - June 2022  
 Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

# Business & Community Disruption

Jun-22

**Risk Context**

Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism).

This includes;

- Lack of (or inadequate) emergency response / business continuity plans.
- Lack of training for specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

*This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT & communication systems and infrastructure".*

**Potential causes include;**

Cyclone, storm, fire, earthquake	Extended utility outage
Terrorism / sabotage / criminal behaviour	Economic factors
Epidemic / pandemic	Loss of key staff
Loss of suppliers	Loss of key infrastructure

Key Controls	Type	Last Reviewed	Rating
Local Emergency Management Arrangements (LEMA)	Preventative	Oct 19	<b>Adequate</b>
Business Continuity Plan	Preventative	Mar 21	<b>Adequate</b>
Managing Emergencies in Shire Facilities	Preventative	Dec 16	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Annual LEM Exercise Undertaken	Jun 23	CEO
Review Business Continuity Plan	Mar 23	CEO
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO & DCEO
Develop IT Disaster Recovery Plan	Dec 22	DCEO
Fire Breaks Inspected and Enforced Annually	Nov 22	DCEO
Fire Fighting Equipment Maintained and Serviced Annually	Sep 22	CEO
Wardens (Internal) - Training of New Wardens	Completed	CEO & DCEO
Admin Generator Maintained and Serviced	Monthly	CEO
Review Managing Emergencies in Shire Facilities	Jun 22	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Missed LEMC Committee Meetings	1 per annum	2	<b>Worsening</b>
Number of Firebreak Infringements Issued	5 per annum	2	Improving
LEM Annual Exercise Undertaken	1 per annum	1	Improving
BCP Annual Exercise Undertaken	1 per annum	1	Improving

**Residual Risk Rating**

Consequence Category	Risk Ratings	Rating
Service Interruption; Reputation; Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Objective: To continue delivery of critical services at acceptable levels following a disruption**

**Control Assurance**

Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Apr-20	Completed		Completed June 2022; Next due June 2023
Feb-21	Completed		BCP activated March 2020 in response to COVID19; Next review day Mar 23
Oct-19	Completed		COVID-19 response treated as BCP exercise; Next due Dec 2022
Dec-20	Jun-21	Dec-22	Deferred until DCEO can review IT system & controls
Completed			Inspected November 2021
N/A			Inspections completed; Next inspection Sept 2022
Oct-19	Jun-20	Jun-22	Training completed; Warden identifying tools and equipment in place
Monthly	NA	NA	Inspection completed; need to implement monthly monitoring system
Jun-20	Dec-21	Jun-22	Review yet to take place

**KPI / Action Data**

2020	2021	2022	Comments
1	1	2	Only 2 meetings held due to no quorum
2	0		5 Infringements issued in 2019; 2 Infringements in 2020; 0 Infringements in 2021
Nil	Nil	1	Conducted June 2022
1	1	1	COVID-19 response treated as BCP exercise

**Additional / Final Comments**

Reviewed by Management Team - June 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

# Failure to fulfil Compliance Requirements (Statutory and Regulatory)

Jun-22

Risk Context
Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation.
It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.
It does not include Occupational Safety & Health Act (refer "Inadequate safety and security practices") or any Employment Practices based legislation (refer "Ineffective Employment practices").

<b>Objective:</b> Compliance with Statutory and Regulatory Local Government obligations, including the Local Government Act, Planning & Development Act, Health Act, Building Act and Freedom of Information Act
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Potential causes include;	
Lack of training, awareness and knowledge	Lack of Legal Expertise
Staff / Councillor Turnover	No Compliance Officer or person responsible for Compliance oversight and enforcement
Inadequate record keeping / failure of corporate electronic systems	Breakdowns in the tender or procurement process
Ineffective policies & processes	Ineffective monitoring of changes to legislation

Key Controls	Type	Last Reviewed	Rating
Governance Management Framework	Preventative	Ongoing	<b>Adequate</b>
Information Management System	Preventative	Unknown	<b>Adequate</b>
Human Resource Management Framework	Preventative	Ongoing	<b>Adequate</b>
Access to Accurate & Current Legislation & Regulations	Preventative	Jun-20	<b>Adequate</b>
Governance Calendar	Preventative	Ongoing	<b>Adequate</b>
Council & Staff Inductions	Preventative	Feb-20	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	No	
CEO; M CCS	Partial	Partial	Partial	Partial	No	
CEO; M CCS	Partial	Partial	Partial	Partial	No	
EGO	No	No	Yes	Yes	No	Documentation not required
EGO	Yes	Yes	Yes	Yes	No	
CEO; M CCS	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Document Governance Framework	Dec-22	CEO & EGO
Continue Implementation of Training Program for Councillors and Staff	Ongoing	CEO, DCEO & EGO
Review Councillor Induction Manual - Every 2 Years	Sep-23	EGO
Review Human Resource Management Framework	Dec-22	CEO & DCEO
Review Information Management System	Dec-22	DCEO
End of Year Financial Audit - Prepare	Sep-22	DCEO
Interim Audit Finding 30 June 2022 - Response to Findings	May-22	DCEO
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Aug-22	CEO & DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Jun-22	Progressing; Extended completion to Dec 22 to provide M CCS time to review
Ongoing			Progressing
Completed			Completed September 2021; Next review due September 2023
Ongoing	Feb-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Dec-20	Feb-21	Dec-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
			Prepare EoY financials
			Interim audit yet to be finalised by OAG
Dec-20	Apr-21	Apr-22	Cross referencing data in the draft AMP and LTFP

Key Performance Indicators	Tolerance	Latest Result	Trend
Financial and Performance Audit Qualifications	Unqualified Audit	Unqualified Audit	Improving
Compliance Audit Return	As per legislated	Compliant	Constant
Financial Management System Review (Every 3 Years)	As per legislated	Compliant	Improving
CEO Regulation 17 Review (Every 3 Years)	As per legislated	Compliant	Improving
Freedom of Information Statistical Return	As per legislated	Compliant	Improving
Annual Waste & Recycling Data Reporting	As per legislated	Compliant	Improving
Regulation 53 of Building Regulations 2021 (Pool Inspections)	As per legislated	Compliant	<b>Worsening</b>
Food Act 2008 & Public Health Act 2016 Reporting	As per legislated	Compliant	Improving

KPI / Action Data			
2020	2021	2022	Comments
<i>Unqualified Audit</i>	<i>Unqualified Audit</i>		Rated annually in December
<i>Compliant</i>	<i>Compliant</i>	<i>Compliant</i>	Completed February 2022; Rated annually in March
<i>Not Rated</i>	<i>Not Rated</i>		Last reviewed September 2019; Due September 2022
<i>Compliant</i>	<i>Not Rated</i>		Last reviewed September 2019; Due September 2022
<i>Compliant</i>	<i>Compliant</i>		Submitted July 2021; Rated annually in July
<i>Compliant</i>	<i>Compliant</i>		Submitted October 2021; Rated annually in October
<i>Not Rated</i>	<i>Non-Compliant</i>		Due December 2021; Every 3 years; Inspections scheduled for August 2022
<i>Compliant</i>	<i>Compliant</i>		Rated annually in August; Next due August 2022

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Reputation / Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

# Document Management Processes

Jun-22

## Risk Context

Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation.

This includes:

- Contact lists
- Procedural documents, personnel files, complaints
- Applications, proposals or documents
- Contracts
- Forms or requests

## Potential causes include;

Incompatible systems	Outdated record keeping practices
Inadequate access and / or security levels	Lack of system/application knowledge
Inadequate Storage facilities (including climate control)	High workloads and time pressures
High Staff turnover	Standard Operating Policies not followed

Key Controls	Type	Last Reviewed	Rating
Information Management Framework	Preventative	Dec-20	<b>Adequate</b>
Governance Management Framework	Preventative	Ongoing	<b>Adequate</b>
Recordkeeping Plan	Preventative	Mar-19	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Completed	DCEO
Refurbishment of Archive Room to Improve Compliance	Completed	CEO
Review Sharepoint System	Dec-22	DCEO
Review Information Management Framework	Dec-22	DCEO
Information Management Staff Training	Ongoing	DCEO
Review Record Keeping Plan	Sep-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Information Management Framework	Reviewed Annually	Not Rated	Constant
Archives	As legislated	Compliant	Constant
Record Keeping Plan Completed	As legislated	Not Rated	<b>Worsening</b>

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Reputation	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

## Objective:

Adequately capture, store, archive, retrieve, provide and ultimately dispose of Shire documentation

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Partial	Partial	Partial	Partial	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Partial	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			
Completed			
Jun-21	Dec-21	Apr-22	Progressing
Jun-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Ongoing			Form part of Induction Process
Jun-21	Dec-21	Jun-22	Third extension request approved; Consultant engaged

KPI / Action Data			
2020	2021	2022	Comments
<i>Not Rated</i>	<i>Not Rated</i>		Rate annually in December
<i>Compliant</i>	<i>Compliant</i>		Recorded & destroyed as per R&D Schedule; Rate annually in December
<i>Not Rated</i>	<i>Non Compliant</i>		Compliant & Current RKP by due date

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# Employment Practices Jun-22

**Risk Context**

Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).  
 This includes:  
 -Not having appropriately qualified or experienced people in the right roles  
 -Insufficient staff numbers to achieve objectives  
 -Breaching employee regulations  
 -Discrimination, harassment & bullying in the workplace  
 -Poor employee wellbeing (causing stress)  
 -Key person dependencies without effective succession planning in place  
 -Industrial activity

**Potential causes include;**

Leadership failures	Ineffective performance management programs or procedures
Key / single-person dependencies	Limited staff availability - labour market conditions
Poor internal communications / relationships	Inadequate induction practices
Ineffective Human Resources policies, procedures and practices	Inconsistent application of policies

Key Controls	Type	Last Reviewed	Rating
Workforce Plan	Preventative	May-19	Effective
Human Resource Management Framework	Preventative	May-19	Adequate
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Develop a Health and Wellbeing Program	Aug-22	CEO & DCEO
Review Workforce Plan	Dec-22	CEO & DCEO
Create Checklist for Human Resource Management Framework	Dec-22	CEO & DCEO
Update Training Register & Develop 2022/2023 Training Program	May-22	CEO & DCEO
Review Staff Induction Process	Mar-20	DCEO
Conduct Annual Drivers License Checks	Annually in Apr	DCEO
Conduct Annual Performance Reviews	Annually in Apr	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Training Program (% Completed)	90% per annum	Not rated	
Absenteeism (% of Personal)	> 10 days per FTE	32%	
Absenteeism (% Unpaid Leave)	> 0 days per FTE	41%	
Employee Turnover (% Turnover Rate of Permanent Staff)	10%	Not rated	
Performance Reviews (% Completed)	100% per annum	100%	Improving
Annual Drivers Licenses (% Completed Checks)	100% per annum	100%	Improving
Workers Compensation Claims	< 1 per annum	0	Improving

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Compliance / Health / Reputational / Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	Moderate

**Notes:**  
 Australian Public Service Commission  
 .id informed decisions  
 CEMI (UWA)  
 National turnover 8.5%

**Objective:**  
 Effective management and leadership of human resources (full-time, part-time, casual, temporary and volunteer).

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Partial	Partial	Partial	Partial	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Mar-22	Draft program progressing
Apr-20	Mar-21	Jul-22	Carry out review once organisation restructure is finalised
Jun-20	Jun-21	Jun-22	Progressing; Extended completion to Dec 22 to provide DCEO time to review
Mar-20	Sep-20	Jun-22	Review underway
			Conducted check during performance review process in April 22
			Performance reviews conducted during April/May 22

KPI / Action Data			
2020	2021	2022	Comments
	Not Rated		Rate annually in July 202 Control not in place to rate indicator
	Not Rated	32%	Commenced rating for 2021/22 year
	Not Rated		Commenced rating for 2021/22 year
	Not Rated		KPI to be reviewed to consider tolerance and measure
100%	100%	100%	Rate annually in June
100%	100%	100%	Rate annually in June
2	4	2	Rate annually in June; 2020 cases (x2) closed in 2020/2021; 1 current cases

**Additional / Final Comments**

Reviewed by Management Team - June 2022  
 Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.



# Engagement Practices

Jun-22

**Risk Context**

Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.

For example;

- Following up on any access & inclusion issues
- Infrastructure Projects
- Local planning initiatives
- Strategic planning initiatives

*This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.*

**Potential causes include;**

Relationship breakdowns with community groups	Short lead times
Leadership inattention to current issues	Miscommunication / poor communication
Inadequate documentation or procedures	Inadequate Regional or District Committee attendance.
Budget / funding issues	Inadequate involvement with, or support of community groups

Key Controls	Type	Last Reviewed	Rating
Community & Engagement Framework	Preventative		<b>Adequate</b>
Communication & Engagement Policy	Preventative		<b>Adequate</b>
Complaint Handling Process	Preventative	Jun-20	<b>Adequate</b>
Community Satisfaction Survey	Detective	Oct-20	<b>Adequate</b>
Customer Service Charter	Preventative	Sep-20	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Review Community Complaints, Feedback & Request Handling Process	Dec-22	CEO & DCEO
Review Community Engagement Policy & Framework	Dec-22	CEO, DCEO & CDO
Conduct Community Satisfaction Survey	Sep-22	CEO & CDO
Review Process For Customer Response Requests	Dec-22	DCEO
Review Customer Service Charter (every two years)	Sep-22	EGO
Update Complaint Register (in accordance to Act)	As Required	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Number Complaints from the Community Not Responded To	<3 per quarter	Not Rated	
Community Satisfaction Survey - Council Leadership within the Community	80% Satisfaction	75%	
Community Satisfaction Survey - How the community is consulted & informed about local issues	80% Satisfaction	75%	
Community Engagement Framework	Completed	Completed	Constant

**Residual Risk Rating**

Consequence Category	Risk Ratings	Rating
Reputation	<b>Consequence:</b>	<i>Minor (2)</i>
	<b>Likelihood:</b>	<i>Likely (4)</i>
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Objective:**  
 Effective working relationships (communication, feedback & consultation) with the Community, local Media, Stakeholders, key Private Sector Companies, Government Agencies and Elected Members.

**Control Assurance**

Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Sep-19	Jun-20	Apr-22	Second review required to streamline processes; extended to Dec 22
Jun-22			Review extended to Dec 22
			Completed in October 2020; Next due September 22
Jun-22			Conduct second review and align with complaints handling process
			Completed September 2020; Next due September 22
			Register available on Shire website & update as required

**KPI / Action Data**

2020	2021	2022	Comments
<i>Not Rated</i>	<i>Not Rated</i>		Rated annually in December; control to be identified to capture indicator
<i>75%</i>	<i>Not Rated</i>		Rated biannually in December; Next due 2022
<i>75%</i>	<i>Not Rated</i>		Rated biannually in December; Next due 2023
<i>Not Rated</i>	<i>Completed</i>		Rate in December

**Additional / Final Comments**

Reviewed by Management Team - June 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# Environment Management

Jun-22

## Risk Context

Inadequate prevention, identification, enforcement and management of environmental issues.

The scope includes;

- Lack of adequate planning and management of coastal erosion issues.
- Failure to identify and effectively manage contaminated sites (including groundwater usage).
- Waste facilities (landfill / transfer stations).
- Weed & mosquito / Vector control.
- Ineffective management of water sources (reclaimed, potable)
- Illegal dumping.
- Illegal clearing / land use.

**Objective:**  
Effective management and protection of our environment

## Potential causes include;

Inadequate management of landfill sites	Inadequate reporting / oversight frameworks
Lack of understanding / knowledge	Community apathy
Inadequate local laws / planning schemes	Differing land tenure (land occupancy or ownership conditions)
Prolific extractive industry (sand, limestone, etc.)	Competing land use (growing population vs conservation)

Key Controls	Type	Last Reviewed	Rating
Road Engineering & Subdivision Policy (4.4)	Preventative	May-19	<b>Adequate</b>
Waste Water Management Plan & Program	Preventative		<b>Not Rated</b>
Contaminated Sites Register	Preventative	Nov-19	<b>Adequate</b>
Waste Management Plan & Program	Preventative		<b>Not Rated</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
MWA	Yes	Yes	Yes	Yes	No	
MWA	No	No	No	No	No	
MWA	Yes	Yes	Yes	Yes	No	
MWA	No	No	No	No	No	

Actions (Treatments)	Due Date	Responsibility
Develop Waste Water Management Plan & Program	Jun-23	CEO
Develop Waste Management Plan & Program	Jun-23	CEO
Complete Audit of Sewage System	Completed	CEO
Valuation of Sewage System	Jun-22	CEO
Address Compliance of Waste Management	Ongoing	CEO
Preparation of Refuse Site Closure Plan	Dec-22	CEO
Address Compliance of Waste Water Re-Use	Sep-22	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-22		Deferred; not considered a priority at present
Dec-20	Jun-21	Jun-22	Deferred; not considered a priority at present
Completed			
			Draft report available for management to review
Ongoing			CEO to determine & identify any gaps
			Regulated requirement
Jun-21	Jun-22	Sep-22	Contracted EHO to review reporting requirements

Key Performance Indicators	Tolerance	Latest Result	Trend
Annual Waste & Recycling Data Reporting	As per legislated	Completed	Constant
Satisfactory Water Sampling For Water Re-Use	100%	Completed	Constant
Asbestos Register	As per legislated	Maintained	Constant
Contaminated Site Register	As per legislated	Maintained	Constant

KPI / Action Data			
2020	2021	2022	Comments
<i>Submitted</i>	<i>Submitted</i>		Completed as per statutory requirements; Next due October 2022
<i>100%</i>	<i>100%</i>		Water sampling conducted monthly during irrigation season
<i>Maintained</i>	<i>Maintained</i>		Last reviewed June 2021; Review annually in June
<i>Maintained</i>	<i>Maintained</i>		Maintained

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Environment / Reputation / Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

Additional / Final Comments
Reviewed by Management Team - June 2022



# Errors, Omissions & Delays

Jun-22

## Risk Context

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff.

Examples include;

- Incorrect planning, development, building, community safety and Emergency Management advice
- Incorrect health or environmental advice
- Inconsistent messages or responses from Customer Service Staff
- Any advice that is not consistent with legislative requirements or local laws.
- Human error
- Inaccurate recording, maintenance, testing or reconciliation of data.
- Inaccurate data being used for management decision-making and reporting.
- Delays in service to customers

*This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes"*

## Objective:

Minimal errors, omissions or delays in service delivery and advisory activities

## Potential causes include;

Human error	Incorrect information
Inadequate formal procedures or training	Miscommunication
Lack of trained staff	Work pressure / stress
Unrealistic expectations from community, council or management	Health issues
Poor use of check sheets / FAQ's	Lack of understanding

Key Controls	Type	Date	Rating
Checklists and Documented Procedures	Preventative	Nov-19	<b>Adequate</b>
Complaints Register	Preventative	Nov-19	<b>Adequate</b>
Complaints Process	Recovery	Nov-19	<b>Adequate</b>
Councillor Information Bulletin	Preventative	Nov-19	<b>Adequate</b>
Customer Service Charter	Preventative	Nov-19	<b>Adequate</b>
Delegations & Register	Preventative	Nov-19	<b>Adequate</b>
Electronic Records - Sharepoint	Recovery	Nov-19	<b>Adequate</b>
External Communications (website, news articles)	Preventative	Nov-19	<b>Adequate</b>
External Consultants (ie. legal)	Preventative	Nov-19	<b>Adequate</b>
Customer Service Request Procedure	Preventative	Nov-19	<b>Adequate</b>
File Note/Documentation	Preventative	Nov-19	<b>Adequate</b>
Internal Communications (staff newsletter, regular meetings)	Preventative	Nov-19	<b>Adequate</b>
Performance Reviews	Preventative	Nov-19	<b>Adequate</b>
Qualified Building, Health & Planning Officers	Preventative	Nov-19	<b>Adequate</b>
Segregation of Duties (financial control)	Preventative	Nov-19	<b>Adequate</b>
Staff Inductions	Preventative	Nov-19	<b>Adequate</b>
Staff Training (formal & on-the-job)	Preventative	Nov-19	<b>Effective</b>
Council Motions Register	Preventative	Nov-19	<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; MCCS	Partial	Partial	Partial	Partial	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
All Staff	Yes	Yes	Yes	Yes	No	
CEO; CDO	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
SMT	Yes	Yes	Yes	Yes	No	
CEO; CDO	Yes	Yes	Yes	Yes	No	
SMT	Yes	Yes	Yes	Yes	No	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
SMT	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
EGO	Yes	Yes	Yes	Yes	No	

Workforce Plan	Preventative	Nov-19	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>
<b>Actions (Treatments)</b>			
		<b>Due Date</b>	<b>Responsibility</b>
Review Employee Code of Conduct		Jul-22	CEO & EGO
Review and Document Organisations Controls and Systems		Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures		Dec-22	CEO & DCEO
Review Customer Service Complaints & Request Process to include Snap Send Solve		Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Legal Claims	0	0	Constant
Number of Complaints Regarding Errors, Omissions or Delays (minor)	0	0	Constant
Number of Complaints Regarding Errors, Omissions or Delays (major)	0	0	Constant
Referral to SAT/Ombudsman/Public Sector Commission	0	0	Constant
Number of Complaints to Local Government Standards Panel	0	0	Constant
External Audit Qualification	Unqualified Audits	Unqualified Audit	Constant
Staff Training Target Met	90%	Not Rated	Constant

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation / Compliance	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

CEO; M CCS	Yes	Yes	Yes	Yes	No	
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Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			July 2022 presented to all staff
Ongoing			Continuous improvement
Dec-20	Jun-21	Jun-22	Progressing; Extended completion to June 22 to provide DCEO time to review
Jun-22			Second review required to streamline processes; Extended to Dec 22

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
0	0	0	Rate annually in June
Unqualified Audit	Unqualified Audit		Rate annually in December
Not Rated	Unable to Rate	Unable to Rate	Rate annually in June; Control to be identified to rate indicator

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# External Theft & Fraud (Including Cyber)

Jun-22

## Risk Context

Loss of funds, assets, data or unauthorised access, (whether attempted or successful) by external parties, through any means (including electronic).

For the purposes of;

- Fraud: benefit or gain by deceit
- Malicious Damage: hacking, deleting, breaking or reducing the integrity or performance of systems
- Theft: stealing of data, assets or information

## Potential causes include;

Inadequate security of equipment / supplies / cash	Inadequate provision for patrons belongings
Robbery	Lack of Supervision
Scam Invoices	Collusion with internal staff
Cyber crime	

Key Controls	Type	Last Reviewed	Rating
Building Security Access Controls (Keys and Keypad Access)	Preventative	Unknown	<b>Adequate</b>
Equipment Storage and Access Controls	Preventative	Unknown	<b>Adequate</b>
IT Security Framework (Passwords and Security Protocols)	Preventative	Sep-19	<b>Adequate</b>
Financial Management System	Preventative	Sep-19	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Review Access Controls to Include Key Register	No Date	CEO & DCEO
Photographic Record of Minor Assets & Align With Minor Assets Register	Dec-22	DCEO
Implement Quarterly Schedule For Changing Passwords	Ongoing	DCEO
Review Security and Storage of Records	Aug-22	DCEO
Document Financial Management System	Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Cyber Breaches	0	0	Constant
Number of Incidents of Theft or Fraud	0	0	Constant
Passwords Changed Quarterly	100%	100%	Constant

## Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Financial / Property	<b>Consequence:</b>	Minor (2)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

## Objective:

To prevent a loss of funds, assets, data or unauthorised access by external parties

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Partial	Partial	Partial	No	Partial	
CEO	Partial	Partial	Partial	No	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Dec-21	Progress stalled, no due date set
Jun-20			Commenced
Ongoing			Secure password policy in place; reset passwords every 90 days
			Last review August 2021
Oct-21			Progressing; anticipate completion December 2022

KPI / Action Data			
2020	2021	2022	Comments
0	0	0	Rate annually in June
0	0	0	Rate annually in June
100%	100%	100%	Rate annually in June

## Additional / Final Comments

Reviewed by Management Team - June 2022  
 Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# Management of Facilities / Venues / Events

Jun-22

Risk Context
Failure to effectively manage the day to day operations of facilities, venues and / or events. This includes; -Inadequate procedures in place to manage quality or availability. -Poor crowd control -Ineffective signage -Booking issues -Stressful interactions with hirers / users (financial issues or not adhering to rules of use of facility) -Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)

**Objective:**  
Effective management of the day to day operations of facilities, venues and events.

Potential causes include;	
Double bookings	Traffic congestion or vehicles blocking entry or exit
Illegal / excessive alcohol consumption	Insufficient time between bookings for cleaning or maintenance
Bond payments poorly managed	Difficulty accessing facilities / venues.
Falsifying hiring agreements (alcohol on site / lower deposit)	Failed safety / chemical / health requirements
Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)	Poor service from contractors (such as catering or cleaning)

Key Controls	Type	Last Reviewed	Rating
Event Management Framework	Preventative	May-19	Adequate
Building Maintenance Program	Preventative	May-19	Adequate
Facility / Venue Booking System	Preventative	May-19	Adequate
Reserves Management System	Preventative	May-19	Adequate
Asset Management Plan	Preventative	May-19	Adequate
Statutory Public Building Compliance Program	Preventative	Nov-21	Adequate
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Partial	Yes	No	No	
CEO	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	No	No	No	
CEO; MCCS	Partial	Partial	Partial	No	No	

Actions (Treatments)	Due Date	Responsibility
Develop Event Management Framework	Dec-22	CDO
Develop Reserves Management Register	Completed	DCEO
Create Inspection and Maintenance Schedules for Event Equipment	Dec-22	CDO
Undertake Community Facilities Review	Aug-22	CEO & CDO
Public Buildings Inspected Annually for Compliance	Oct-22	CEO
Develop Wheatbelt Heritage Rail Management Plan	Jun-23	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Mar-20	Jun-20	Jun-22	Event Management Plan in place, yet to complete framework; Extend to Dec 22
Dec-20	Dec-21		Completed
Dec-19	Mar-20	Jun-22	Extend to Dec 22
Jun-20	Feb-21	Jun-22	Progressing; Defer due date to Aug 22
Dec-20	Nov-21	Apr-22	Inspections commenced; Discuss inspection schedule with EHO Contractor

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Injuries / Incidents at Events	0	0	Constant
Number of Injuries / Incidents at Facilities	0	0	Constant
Customer Satisfaction Survey - Facilities	<65%	81%	
Compliance of Events and Facilities	>90%	90%	Constant
Reserves Management Register	Maintained	Not Rated	

KPI / Action Data			
2020	2021	2022	Comments
0	0		Rate annually in June
0	0		Rate annually in June
81%	Not Rated		Rated every 2 years; Due Setpember 2022
90%	Not Rated		Rated every 2 years; Due Setpember 2022
Not Rated	Maintained		New indicator; Rate in December 2022

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation	Consequence:	Minor (2)
	Likelihood:	Unlikely (2)
	<b>Overall Risk Ratings:</b>	<b>Low</b>

**Additional / Final Comments**  
Reviewed by Management Team - June 2022  
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# IT or Communication Systems and Infrastructure

Jun-22

## Risk Context

Disruption, financial loss or damage to reputation from a failure of information technology systems. Instability, degradation of performance, or other failure of IT or communication system or infrastructure causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked.

Examples include failures or disruptions caused by:

- Hardware or software
- Networks
- Failures of IT Vendors

This also includes where poor governance results in the breakdown of IT maintenance such as;

- Configuration management
- Performance monitoring

This does not include new system implementations - refer "Inadequate Project / Change Management".

## Potential causes include;

Weather impacts	Non-renewal of licences
Power outage on site or at service provider	Inadequate IT incident, problem management & Disaster Recovery Processes
Out-dated, inefficient or unsupported hardware or software	Lack of process and training
Software vulnerability	Equipment purchases without input from IT department
Incompatibility between operating systems	Vulnerability to user error

Key Controls	Type	Last Reviewed	Rating
IT Infrastructure Replacement Program	Preventative	Jul-20	<b>Adequate</b>
IT Management Service Level Agreement	Detective	Early 2018	<b>Adequate</b>
IT Managed Service Agreement Monthly Report	Detective	Monthly	<b>Adequate</b>
IT Disaster Recovery Plan	Recovery		<b>Not Rated</b>
IT System Access Framework	Preventative		<b>Adequate</b>
Secure Password Procedure	Preventative		<b>Adequate</b>
Advanced Email Protection	Preventative	Aug-20	<b>Effective</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Dec-22	DCEO
Review IT Management Service Level Agreement	Dec-22	DCEO
Document IT Infrastructure Replacement Program	Dec-22	DCEO
Develop Secure Password Procedure	Completed	DCEO
Replacement of Phone System	Completed	DCEO
Document IT System Access Framework	Dec-22	DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Number of Cyber Breaches	0	0	Constant
IT Replacement Program	Developed	Not rated	Constant
IT Disaster Recovery Plan	Developed	Not rated	Constant
Advanced Email Protection	Installed	Installed	Constant
IT System Access Framework	Developed	Not rated	Constant
Document Secure Password Procedure	Developed	Not rated	Constant
Replacement of Phone System	Installed	Not rated	Constant

## Residual Risk Rating

Consequence Category	Risk Ratings	Rating
Service Disruption / Financial	<b>Consequence:</b>	Major (4)
	<b>Likelihood:</b>	Likely (4)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

## Objective:

Stability and performance of information technology and communication systems

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; MCCS	Yes	Yes	Yes	Yes		Fraud not relevant
CEO; MCCS	Yes	Yes	Yes	Yes		Due June 2021
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
MCCS	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Jun-21	Dec-22	
Mar-20	Dec-20	Jun-22	Extend to Dec 22
Completed			Procedure implemented
Sep-21	Completed		VOIP system installed
Mar-21	Jun-21	Dec-22	Date to be confirmed

KPI / Action Data			
2020	2021	2022	Comments
0	0		Rate annually in June
Not rated			Rating based on completion
Not rated			Rating based on completion
Installed	Maintained		System remains in place
Not rated			Rating based on completion
Not rated	Completed		Rating based on completion
Not rated	Completed		VOIP system installed

## Additional / Final Comments

Reviewed by Management Team - June 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# Misconduct

Jun-22

## Risk Context

Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority.

This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Inappropriate use of plant, equipment or machinery
- Inappropriate use of social media.
- Inappropriate behaviour at work.
- Purposeful sabotage

*This does not include instances where it was not an intentional breach - refer Errors, Omissions or Delays.*

## Objective:

Compliance with our Code of Conduct

## Potential causes include;

Inadequate training of code of conduct \ induction	Greed, gambling or sense of entitlement
Changing of job roles and functions/authorities	Collusion between internal & external parties
Delegated authority process inadequately implemented	Password sharing
Lack of internal checks	Low level of Supervisor or Management oversight
Covering up poor work performance	Believe they'll get away with it
Poor enforcement of policies and procedures	Undue influence from Manager / Councillor
Information leaked to Tenderers during the Tender process	Poor work culture
Insubordination	By-passing established administrative procedures
Disgruntled employees	Sharing of confidential information

Key Controls	Type	Last Reviewed	Rating
Delegations Register	Preventative	May-20	<b>Adequate</b>
Staff Recruitment Process (includes Police Clearance)	Preventative	Feb-19	<b>Adequate</b>
Staff Inductions	Preventative	Aug-20	<b>Adequate</b>
External Audits	Preventative	May-20	<b>Adequate</b>
Annual Drivers Licence Checks	Preventative	Feb-20	<b>Adequate</b>
Social Media Policy	Preventative	Apr-20	<b>Adequate</b>
Segregation of Duties (Financial)	Preventative	Jul-20	<b>Adequate</b>
Financial Management Policy	Preventative	May-20	<b>Adequate</b>
Financial Authorisation Policy	Preventative	May-20	<b>Adequate</b>
Delegation Control - Synergy	Preventative	Jul-20	<b>Adequate</b>
Financial Interests Returns Declarations	Preventative	Ongoing	<b>Adequate</b>
Primary and Annual Returns Process	Preventative	Aug-20	<b>Adequate</b>
Procurement Delegation Control - Synergy	Preventative	Ongoing	<b>Adequate</b>
Petty Cash Policy	Preventative	May-20	<b>Adequate</b>
Corporate Credit Card Policy	Preventative	Apr-21	<b>Adequate</b>
Delegated Authority for Procurement	Preventative	May-20	<b>Adequate</b>
Elected Member Training Plan	Preventative	Ongoing	<b>Adequate</b>
Audit & Risk Committee Terms of Reference	Preventative	Nov-19	<b>Adequate</b>
IT Security Access Register (Profiles & Passwords)	Preventative	90 Days	<b>Adequate</b>
Purchasing Policy & Procurement Process	Preventative	Jul-20	<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	Yes	Yes	Partial	
CEO	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	



Tender Procurement Process	Preventative	Unknown	<b>Adequate</b>
Financial Management Systems Review	Preventative	Sep-19	<b>Adequate</b>
Regulation 17 Review	Preventative	Dec-19	<b>Adequate</b>
Related Parties Disclosures Policy	Preventative	Jan-19	<b>Adequate</b>
Council Member Communication & Use of Social Media Policy	Preventative	Introduced	<b>Adequate</b>
Code of Conduct	Preventative	Feb-21	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Review and Document Organisations Controls and Systems	Ongoing	CEO & DCEO
Centralise Checklists, Controls and Procedures	Jun-21	CEO & DCEO
Review Fuel Stock Control and Process	Dec-22	DCEO
Present Regulation 17 Review to Audit & Risk Committee - Every 3 Years	Dec-22	CEO
Review Purchasing Policy & Procurement Process	Dec-22	DCEO
Review Social Media Policy 3.11	Dec-22	EGO
Review Code of Conduct (Councillor)	Jul-23	CEO & EGO
Prepare Credit Card Procedure	Completed	DCEO
Conduct Drivers Licence Check Annually	April Annually	CEO & DCEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-20	Ongoing		Progressing; Altus Procurement system implemented & utilised
Dec-20	Jun-21	Jun-22	Progressing
May-20	Apr-21		Unable to finalised until receive fleet replacement; Date to be confirmed
			Next due December 22
Mar-20	Completed		
Oct-19	Completed		Social Media Policy 3.11; reviewed April 2020; introduced Council Member Communication & Use of Social Media Policy December 2019
Completed			Presented to A & R Committee July 2021
Sep-21	Completed		Credit Card authorisation forms and agreements in place
			Last checked April 22; Next check April 2023

Key Performance Indicators	Tolerance	Latest Result	Trend
Unqualified External Audits (# of Significant Findings)	0	Unqualified	Constant
Disregarding or Manipulating Procurement Process	Nil	Not rated	Constant
Breaches of Code of Conduct	Nil	1	Constant
Internal & External Complaints (Minor)	< 1 per quarter	0	Constant
Internal & External Complaints (Major)	0	0	Constant
Adherence to Internal Controls	Nil	Not rated	Constant

KPI / Action Data			
2020	2021	2022	Comments
<i>Unqualified</i>	<i>Unqualified</i>		Rate annually in December
<i>Not rated</i>	35		Rate annually in December; 35 non-conforming
0	4		Rate annually in December
0	0		Rate annually in December
0	0		Rate annually in December
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Control to rate indicator yet to be identified

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Reputation / Finance	<b>Consequence:</b>	<i>Moderate (3)</i>
	<b>Likelihood:</b>	<i>Possible (3)</i>
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

# Project / Change Management

Jun-22

**Risk Context**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes.

This includes:

- Inadequate change management framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.
- Failure to implement new systems
- Inadequate handover process

*This does not include new plant & equipment purchases. Refer "Inadequate Asset Sustainability Practices"*

**Potential causes include;**

Lack of communication and consultation	Excessive growth (too many projects)
Lack of investment	Inadequate monitoring and review
Failures of project Vendors/Contractors	Geographic or transport difficulties sourcing equipment / materials
External consultants underquoting on costs	Lack of project methodology knowledge and reporting requirements
Ineffective management of expectations (scope creep)	Project risks not managed effectively
Inadequate project planning (resources/budget)	

Key Controls	Type	Last Reviewed	Rating
Project Management Methodology and Framework	Preventative		<b>Not Rated</b>
Communication and Engagement Framework	Preventative		<b>Adequate</b>
Risk Management Framework	Detective	Oct-19	<b>Adequate</b>
Financial Management Framework	Preventative	Mar-17	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Develop Project Management Methodology and Framework	Dec-22	DCEO
Review Communication and Engagement Framework	Dec-22	CEO & CDO

Key Performance Indicators	Tolerance	Latest Result	Trend
Minimisation of Project Variations	<90%	Not rated	
Achievement of Project Deadlines / Milestones	<90%	Not rated	
Community Engagement Framework	Completed	Not rated	

**Residual Risk Rating**

Consequence Category	Risk Ratings	Rating
Financial / Reputational / Health	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Objective:**  
Adequate analysis, design, delivery and reporting of projects

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	No	No	No	No	Partial	
CEO	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	Partial	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Oct-19	Dec-20	Dec-21	Not yet commenced
Mar-22			

KPI / Action Data			
2020	2021	2022	Comments
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Unable to Rate</i>		Rate annually in December; Controls to rate indicator to be identified
<i>Not rated</i>	<i>Completed</i>		Rate upon completion

**Additional / Final Comments**

Reviewed by Management Team - June 2022

Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.



# Safety and Security Practices

Jun-22

## Risk Context

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are negligence or carelessness.

## Objective:

Compliance with the Occupation Safety & Health Act, associated regulations and standards, and the ability to ensure the physical security requirements of staff, contractors and visitors.

## Potential causes include;

Lack of appropriate PPE / equipment	Inadequate signage, barriers or other exclusion techniques
Inadequate first aid supplies or trained first aiders	Poor storage and use of dangerous goods
Inadequate security protection measures in place for buildings, depots and other places of work	Ineffective / inadequate testing, sampling or other health-related requirements
Inadequate or unsafe modifications to plant & equipment	Lack of mandate and commitment from senior management
Inadequate policy, frameworks, systems and structure to prevent the injury of visitors, staff, contractors and/or tenants.	Inadequate organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc.).
Inadequate supervision, training or mentoring of staff	Slow or inadequate response to notifications from public

Key Controls	Type	Last Reviewed	Rating
Building Security Access Controls (Keys & Keypad Access)	Preventative	Sep-19	<b>Adequate</b>
OSH Management Framework	Preventative	May-17	<b>Adequate</b>
Human Resource Management Framework	Preventative	May-19	<b>Adequate</b>
Governance Management Framework	Preventative	Ongoing	<b>Adequate</b>
Managing Emergencies In Shire Facilities	Preventative	Dec-16	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO	Yes	Yes	No	No	Partial	
CEO	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Partial	Partial	Partial	Partial	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	
CEO; MCCS	Yes	Yes	Yes	Yes	No	

Actions (Treatments)	Due Date	Responsibility
Review Hazard Register	Annually	CEO & DCEO
Update Staff Training Register	Ongoing	CEO & DCEO
Conduct Quarterly Workplace Inspections	Quarterly	CEO
Safe Work Method Statements (SWMS) Library	May-22	CEO
Assess Shire Building and Facility Safety and Security	Oct-22	CEO
Develop Isolated Worker Management Procedure	Oct-22	CEO
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	CEO
Review Managing Emergencies In Shire Facilities	Mar-23	CEO & DCEO
Conduct Annual BCP and LEMC Drills	Dec-22	CEO
Review Contractor Inductions and Register	Jun-22	CEO

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec Annually			
			Ensure completion of annual training is registered by June
			Inspection schedule prepared
			Preparing SWMS for rollers
Dec-19	Dec-20	Jun-22	Arrange EHO onsite visit to conduct assessment
Dec-19	Jun-20	Apr-22	Policy signed off; yet to prepare procedure
			Monthly meetings conducted
Dec-21	Jun-22	Mar-23	Unable to review due to other priorities
Jun-20	Dec-21	Apr-22	LEMC drill completed, next due 2023; BCP drill due Dec 22
Jun-20	Jun-20	Jun-22	Review almost completed; contractor inductions scheduled

Key Performance Indicators	Tolerance	Latest Result	Trend
Reporting and Management of Incidents	100%	100%	Improving
Failed Safety Inspections	Nil	Nil	Constant
Lost Time Injuries Per Quarter	Nil	Nil	Constant
Near Misses Per Quarter	Nil	Nil	Improving
Workers Compensation Claims Per Quarter	Nil	0	Improving
Safety Audit Result % (Every Three Years)	95%	74%	Constant

KPI / Action Data			
2020	2021	2022	Comments
100%	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
Nil	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
30 Hours	Unable to Rate		Rated annually in December; Control to be identified to rate indicator
Nil	4		Rated annually in December
2	2		2 overall for 2021/22 (nil for quarter); Rated annually in December
Not rated	74%		Safety Audit completed May 2021;

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Health	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Nil

# Supplier / Contract Management

Jun-22

Risk Context
Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.
This also includes:
<ul style="list-style-type: none"> <li>• Concentration issues (contracts awarded to one supplier)</li> <li>• Vendor sustainability</li> </ul>

Potential causes include;	
Insufficient funding	Inadequate contract management practices
Complexity and quantity of work	Ineffective monitoring of deliverables
Suppliers not willing to provide quotes	Limited availability of suppliers
Inadequate tendering process	Lack of planning and clarity of requirements
Contracts not renewed on time	Historical contracts remaining

Key Controls	Type	Last Reviewed	Rating
Annual Budget	Preventative	Mar-21	<b>Adequate</b>
Financial Management Framework	Preventative	Progressing	<b>Adequate</b>
Access to Independent Advice (WALGA/Lawyers) & Peer Review	Preventative	Ongoing	<b>Adequate</b>
<b>Overall Control Ratings:</b>			<b>Adequate</b>

Actions (Treatments)	Due Date	Responsibility
Review Purchasing Policy	Completed	CEO & DCEO
Develop Standardised Contracts	Ongoing	CEO & DCEO
Document Financial Controls	Ongoing	DCEO
Develop Appropriate Financial Reporting Tools	Ongoing	DCEO
Develop Centralised Contract Management System	Ongoing	CEO & DCEO

Key Performance Indicators	Tolerance	Latest Result	Trend
Contracts Reviewed And Maintained	>90%	90%	Constant
Number of Expired Contracts Not Yet Renewed	<1 per quarter	1	Constant

Residual Risk Rating		
Consequence Category	Risk Ratings	Rating
Service Interruption / Financial	<b>Consequence:</b>	Moderate (3)
	<b>Likelihood:</b>	Possible (3)
	<b>Overall Risk Ratings:</b>	<b>Moderate</b>

**Objective:**  
**Adequate management (including contractual arrangements) of external Suppliers, Contractors, IT Vendors or Consultants engaged for operations.**

Control Assurance						
Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
CEO; M CCS	Yes	Yes	Yes	Yes	No	
CEO; M CCS	Yes	Yes	Yes	Yes	Partial	
CEO; M CCS	Yes	Yes	Yes	Yes	No	

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Completed			Presented to Audit & Risk Committee September 21
Ongoing			Standardised MOUs; Service Level Agreements; Tenancy Agreements
Ongoing			Progressing
Ongoing			
Ongoing			Investigating

KPI / Action Data			
2020	2021	2022	Comments
90%	90%		Rate annually in December
1	1		Rate annually in December

Additional / Final Comments
Reviewed by Management Team - June 2022
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Measures of Consequence [V.2 - May 2019 - DRAFT FOR COUNCIL CONSIDERATION]

RATING	PEOPLE	INTERRUPTION TO SERVICE	REPUTATION (Social / Community)	COMPLIANCE	PROPERTY (Plant, Equip, Buildings)	NATURAL ENVIRONMENT	FINANCIAL IMPACT	PROJECT	
								Time	Budget
Insignificant (1)	Near-Miss	No material service interruption Less than 1 hour	Unsubstantiated, localised low impact on community	No noticeable regulatory or statutory impact	Inconsequential damage.	Contained, reversible impact	Less than \$5,000	Exceeds deadline by 5% of project	Exceeds project budget by 5%
Minor (2)	First Aid Treatment	Short term temporary interruption	Substantiated, localised impact on community trust or	Some temporary non-compliance	Localised damage rectified by	Contained, reversible impact	\$5,001 - \$50,000	Exceeds deadline by 10% of project	Exceeds project budget by 10%
Moderate (3)	Medical treatment / Lost time injury <30 Days	Medium term temporary interruption	Substantiated, public embarrassment	Short term non-compliance but with significant	Localised damage rectified by	Contained, reversible impact	\$50,001 - \$200,000	Exceeds deadline by 15% of project	Exceeds project budget by 15%
Major (4)	Lost time injury >30 Days / temporary disability	Prolonged interruption of services – additional	Substantiated, public embarrassment	Non-compliance results in termination of	Significant damage rectified by	Uncontained, reversible impact	\$200,001 - \$500,000	Exceeds deadline by 20% of project	Exceeds project budget by 20%
Extreme (5)	Fatality, permanent disability	Indeterminate prolonged interruption of	Substantiated, public embarrassment	Non-compliance results in litigation, criminal charges or	Extensive damage rectified by	Uncontained, irreversible impact	More than \$500,000	Exceeds deadline by 25% of project	Exceeds project budget by 25%

Measures of Likelihood

Rating	Description	Frequency
Almost Certain (5)	The event is expected to occur in most circumstances	More than once per year
Likely (4)	The event will probably occur in most circumstances	At least once per year
Possible (3)	The event should occur at some time	At least once in 3 years
Unlikely (2)	The event could occur at some time	At least once in 10 years
Rare (1)	The event may only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix

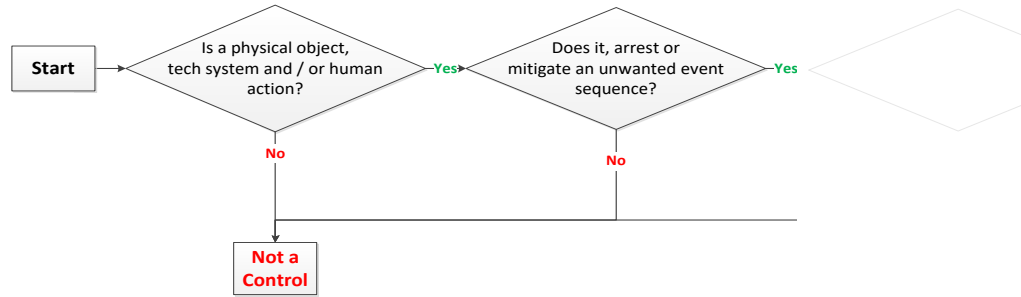
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria

Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	DCEO / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Existing Controls Ratings

Rating	Foreseeable	Description
Effective	There is little scope for improvement.	Processes (Controls) operating as intended and aligned to Policies / Procedures. Subject to ongoing monitoring. Reviewed and tested regularly.
Adequate	There is some scope for improvement.	Processes (Controls) generally operating as intended, however inadequacies exist. Nil or limited monitoring. Reviewed and tested, but not regularly.
Inadequate	There is a need for improvement or action.	Processes (Controls) not operating as intended. Processes (Controls) do not exist, or are not being complied with. Have not been reviewed or tested for some time.



Lagging Indicator

Indicators relating to a result or outcome. Lag means the indicator will change after something happens. The indicator measures the results of an action. Looks back as to whether the intended result was achieved)

Leading Indicator

Indicators measures an input that leads to a result. Often related to something you can influence. How to produce desired results. Looks forward at future outcomes.

## Risk Register

<b>Theme</b>	<b>Key Control</b>	<b>Rating</b>
Asset Management Practices	Recreation Facilities Maintenance Program	Not Rated
Asset Management Practices	Asset Management Plan	Inadequate
Asset Management Practices	Stock Controls Systems (Fuel)	Inadequate
Business & Community Disruption	Facility Risk Management Plan	Not Rated
Engagement Practices	Community Engagement Framework	Not Rated
Environment Management	Sewer Management Plan	Not Rated
Environment Management	Waste Management Plan	Not Rated
Errors, Omissions & Delays	Checklists & Documented Procedures	Inadequate
Management of Facilities/Venues/Events	Event Management Framework	Not Rated
Management of Facilities/Venues/Events	Reserves Management System	Not Rated
Management of Facilities/Venues/Events	Statutory Public Building Compliance Program	Not Rated
IT or Communication Systems & Infrastructure	IT Disaster Recovery Plan	Not Rated
IT or Communication Systems & Infrastructure	IT System Access Framework	Not Rated
Project/Change Management	Project Management Methodology & Framework	Not Rated
Project/Change Management	Community Engagement Framework	Not Rated
Safety & Security Practices	Facility Risk Management Plan	Not Rated



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Dear President

**ANNUAL FINANCIAL REPORT  
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2022**

We have completed the interim audit for the year ending 30 June 2022. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate the overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

**Management Control Issues**

We would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the course of the interim audit. These matters have been discussed with management and their comments have been included on the attachment. The matters reported are limited to those deficiencies that were identified during the interim audit that we have concluded are of sufficient importance to merit being reported to management. Some of the matters may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the *Local Government (Audit) Regulations 1996*. If so, we will inform you before we finalise the report.

An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of your local government and may not be suitable for other purposes.

We have forwarded a copy of this letter to the CEO. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7542 if you would like to discuss these matters further.

Yours faithfully

Liang Wong  
Assistant Director  
Financial Audit  
13 July 2022

Attach



Our Ref: 8298

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Ms Rebecca McCall  
Chief Executive Officer  
Shire of Dowerin  
PO Box 111  
DOWERIN WA 6461

**Mail to:** Perth BC  
PO Box 8489  
PERTH WA 6849

**Tel:** 08 6557 7500  
**Email:** [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Dear Ms McCall

**ANNUAL FINANCIAL REPORT  
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2022**

We have completed the interim audit for the year ending 30 June 2022. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate your overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

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Feel free to contact me on 6557 7542 if you would like to discuss these matters further.

Yours faithfully

Liang Wong  
Assistant Director  
Financial Audit  
13 July 2022

Attach



## SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

## FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
<b>Current year issues</b>			
1. Monthly Creditor Reconciliations		✓	
2. Debtor Invoice Request Forms		✓	
3. Superannuation		✓	
4. General Journals		✓	
<b>Prior year issues</b>			
5. Bank Reconciliations		✓	
6. Investment of Surplus Funds		✓	
7. Credit Note authorisation Forms		✓	
8. Cancelled Receipts		✓	
9. Asset Disposal Forms		✓	

**KEY TO RATINGS**

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating may be reported as a matter of non-compliance in the audit report in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

**SHIRE OF DOWERIN****PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****Current year issues****1. Monthly Creditor Reconciliations****Finding**

We noted that monthly creditor reconciliations for the months of August and October 2021 and March 2022 were not dated by the reviewer and also the November 2021 reconciliation has been prepared only in March 2022.

We also noted that there was a balance of \$11,147.91 comprising several individual balances (approximately 95% of the total creditor balance) in the April 2022 monthly reconciliations which we were informed was due to an error in the system.

**Rating: Moderate****Implication**

In the absence of date of review, we were unable to ascertain if the review has been carried out in a timely manner. Errors or omissions in the reconciliations will not be detected early if the reconciliations are not reviewed early.

Errors in the system can produce inaccurate information.

**Recommendation**

The monthly creditor reconciliations should be reviewed by an officer independent of the preparer without delay and the date of review should be indicated. The error in the system should be investigated and appropriate action be taken to rectify it.

**Management Comment**

*Management will ensure all reconciliations are properly signed off and dated going forward, however, seeing the majority of the reconciliations have been fully signed and dated plus the findings themselves are signed by the reviewer, management does not agree the finding should be rated 'Moderate' rather it should be 'Minor'.*

*Management does not believe the April 22 creditor balance of \$11,147.91 is due to an error but is evident that the matter needs further investigation and rectified within the coming weeks.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 12 August 2022

SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

**2. Debtor Invoice Request Forms**

**Finding**

We noted that 2 out of 8 samples we tested, the debtor invoice request forms were not authorised.

**Rating: Moderate**

**Implication**

Errors or inaccuracies in the debtor invoices may not be detected if debtor invoice request forms are not reviewed and authorised by an independent officer.

**Recommendation**

The debtor invoice request forms should be authorised by the responsible officer prior to raising of debtor invoices and such authorisation be documented.

**Management Comment**

*Management will ensure all debtor requests form are properly signed off and will update the existing form to clearly show the separation of requester and approver.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 15 July 2022

## SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

## FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

**3. Superannuation****Finding**

We noted that the Shire pays superannuation on overtime payments to employees.

**Rating: Moderate****Implication**

The Shire is not required to pay superannuation on overtime payments to employees in accordance with the Superannuation Guarantee (Administration) Act 1992. Payments of superannuation on overtime payments will result in financial losses to the Shire.

**Recommendation**

Superannuation is generally not paid on overtime unless it is required according to the employment contract signed by the employee. The Shire should review its practice of paying superannuation on overtime.

**Management Comment**

*This was due to an implementation error of the payroll system (Definitive) by IT Vision at the time. The implementation of the new Definitive payroll system commenced in February 2021 but the payroll processing from Definitive only came into effect in the financial year 2021/22, therefore the error was only in 2021/22. This system error has now been rectified by IT Vision; however, management will not be proceeding with any recovery action for these overpayments.*

**Responsible Person:** Manager Corporate & Community Services  
**Completion Date:** Completed

SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

4. General Journals

**Finding**

We noted that in 3 out of 10 samples we tested, there were no supporting documents for the journal entries processed in the system.

**Rating: Moderate**

**Implication**

There is a risk that erroneous or fraudulent transactions may pass undetected if supporting documents are not attached to the general journals. Accounting journals can represent significant adjustments to previously approved accounting transactions and should therefore be appropriately supported by documentation.

**Recommendation**

All relevant supporting documentation should be attached to the general journals for review by an officer independent of the preparer.

**Management Comment**

*Management is satisfied with the nature of the journals as they were originally given approval and that they will not lead to any suspicious/fraudulent activity, however it is agreed by management that the forms and process around the journal processing will be updated and improved going forward. All journals are required to be approved by management and supporting documentation is required for each journal. Staff are made aware and will ensure this is done.*

**Responsible Person:** Manager Corporate & Community Services  
**Completion Date:** Completed

**SHIRE OF DOWERIN**  
**PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022**  
**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

**Prior year issues**

**5. Bank Reconciliations**

**Status in 2022**

We noted that the monthly Muni bank reconciliations for the months of July 2021 to November 2021 were reviewed only in January 2022. We also noted that no monthly bank reconciliations have been prepared for the Muni Max and LRCIP bank accounts.

**Finding in 2021**

We noted that there had been delays in reviewing the monthly Muni bank reconciliations for the months of July and September 2020 and February and March 2021 and the bank reconciliation for the month of January 2021 was not available. We also noted that no monthly bank reconciliations have been prepared for the Muni Max account. However, the interest earned on this account during the period was immaterial and the interest income has been correctly captured in the general ledger.

**Rating: Moderate  
Implication**

Errors or frauds may not be detected early unless the monthly bank reconciliations are reviewed by a senior officer independent of the preparer in a timely manner. Also, the non-preparation of a monthly bank reconciliation in respect of the Muni Max and LRCIP account could result in any fraudulent activity not being detected early.

**Recommendation**

The monthly bank reconciliations should be prepared for all bank accounts in a timely manner and reviewed by an independent senior officer promptly. The review should be evidenced in writing.

**Management Comment**

*Bank Reconciliations between July and September 2021 have been recently found and was dated and approved by management in October 2021. This is still not acceptable by management as reconciliations are required to be completed at end of month. Staff are informed and have been made aware again and new management will ensure this happens.*

*The Muni Max and LRCIP account will be closed in the 22/23 year as they are no longer required, however, management agrees these accounts should have been reconciled.*

**Responsible Person:** Manager Corporate & Community Services  
**Completion Date:** Completed

**SHIRE OF DOWERIN****PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****6. Investment of Surplus Funds****Status in 2022**

No monthly investment reconciliations are prepared as required by the investment policy. We also noted that the matter raised last year in regard to having only one term deposit remains unresolved.

**Finding in 2021**

We noted that the Shire does not have a formally established and documented internal control procedures for:

- the placement of investments (such as recording of interest quotes from banks, confirmation, and authorisation of deals etc.)
- the rollover of investments
- the redemption of investments
- the receipt of income

Current practice of the investments of surplus funds at the Shire appears to be at the discretion of the officers responsible for this function. Regulation 19(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to establish and document internal control procedures to be followed by employees to ensure control over investments.

We also noted that the Shire currently has only one term deposit with a banking institute which has a AAA long term rating and A-1+ short term rating. However, as per the Shire's Investment Policy, exposure to an individual institution with those ratings should be restricted to 45% of total investments.

Monthly investment reconciliations have not been prepared as required by the Investment Policy.

**Rating: Moderate  
Implication**

In the absence of formally established and documented internal control procedures, there is an increased risk of inappropriate investment of surplus funds. Such practice is also non-compliant with Regulation 19(1) of the Local Government (Financial Management) Regulations.

Also, lack of monthly investment reconciliations and having all surplus funds in a term deposit with one banking institution is non-compliant with the Shire's Investment Policy.

**Recommendation**

The Shire should establish and document internal control procedures that should be followed by employees to ensure appropriate control over investments, in accordance with Regulation 19(1) of the Local Government (Financial Management) Regulations. Also, surplus funds should be invested in accordance with Investment Policy and monthly investment reconciliations should be prepared as required by the Policy.

**SHIRE OF DOWERIN**

**PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

**Management Comment**

*Management is currently reviewing this process and will incorporate this as part of the end of month process to ensure staff are following the policies and procedures in relation to the investment portfolio. As of 30 June 2022, the one Term Deposit was matured on 25 June and was re-invested between 3 financial institutions in accordance with the investment policy.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 12 August 2022



**SHIRE OF DOWERIN**

**PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

**7. Credit Note Authorisation Form**

**Status in 2022**

We noted that although the Shire has developed a credit note authorisation form during the year it has not been authorised by an officer independent of the accounts receivable officer who requests the credit note.

**Finding in 2021**

We noted that the Shire has not used a formal credit note authorisation form in support of credit notes issued and that the Accounts Receivable Officer who raises invoices also performs the function of raising Credit Notes.

**Rating: Moderate**

**Implication**

Erroneous or fraudulent credit notes could go undetected in the absence of a duly authorised credit note authorisation form.

**Recommendation**

The Shire should have a formal credit note authorisation form that should be completed by the Accounts Receivable Officer and authorised by an independent senior officer prior to processing credit notes. The Shire should also perform an independent review of credits notes issued periodically and such review should be documented and retained.

**Management Comment**

*Management will ensure all debtor credit note authorisation forms are properly approved and signed off, however, the existing form has not included a provision for an approver to sign, therefore the form will be updated.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 31 July 2022

## SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

## FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

**8. Cancelled Receipts****Status in 2022**

The Shire has developed receipt cancellation request form during the year. However, there was no evidence of authorisation of the completed form. The matter relating to the production of cancelled receipts report remains unresolved.

**Finding in 2021**

We noted that the cancelled receipts were not authorised by an officer independent of the receipting function. We also noted that the current IT system does not have the functionality to produce a cancelled receipts report.

**Rating: Moderate****Implication**

Errors or frauds in the receipting function may not be detected in the absence of an independent review of the cancelled receipts especially due to the IT systems inability to produce a report on cancelled receipts.

**Recommendation**

We recommend that cancelled receipts be reviewed promptly by an officer independent of the receipting function.

**Management Comment**

*The form will be updated to include a provision for a Manager/CEO approval section. Management will investigate and put in place an end of month process to verify receipt cancellations during the month.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 31 July 2022

## SHIRE OF DOWERIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2022

## FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

**9. No Asset Disposal Forms****Status in 2022**

The Shire has since developed an asset disposal form. However, it has no provision for authorisation of the completed form. Consequently, there was no evidence of authorisation for the only disposal of asset during the period of our review.

**Finding in 2021**

We noted that currently there is no process of formally documenting the disposal of assets i.e., through the use of Asset Disposal Form, and obtaining management's approval prior to disposing individual assets. We however acknowledge that potential disposals are included in the Shire's approved budget.

**Rating: Moderate****Implication**

Although potential disposals are reflected in the Shire's approved budget, it is likely that the budgeted sales proceeds may differ from actual proceeds. Therefore, current practice could potentially result in the misappropriation of assets and result in a financial loss to the Shire.

**Recommendation**

Management should introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should include appropriate authorisation within the form.

**Management Comment**

*Management will review and update the form to capture the approval of disposal by management as this was not provided for when the form was developed.*

**Responsible Person:** Manager Corporate & Community Services

**Completion Date:** 31 July 2022

2022/23 Interim Audit Findings								
INDEX OF FINDINGS	RATING			Action	Action Completion Date	Completed (Y/N)	Responsible Officer	Responsible Management
	Significant	Moderate	Minor					
<b>Current year issues</b>								
1. Monthly Creditor Reconciliations		✓		Management will ensure all reconciliations are properly signed off and dated going forward	12-Aug-22		Creditors	DCEO
2. Debtor Invoice Request Forms		✓		Management will ensure all debtor requests form are properly signed off and will update the existing form to clearly show the separation of requester and approver	15-Jul-22		Debtors	DCEO
3. Superannuation		✓		This system error has now been rectified by IT Vision, however, management will not be proceeding with any recovery action for these overpayments.		Y	Payroll	DCEO
4. General Journals		✓		the forms and process around the journal processing will be updated and improved going forward. All journals are required to be approved by management and supporting documentation is required for each journal. Staff are made aware and will ensure this is done.		Y	All	DCEO
<b>Prior year issues</b>								
5. Bank Reconciliations		✓		Bank Reconciliations between July and September 2021 have been recently found and was dated and approved by management in October 2021. This is still not acceptable by management as reconciliations are required to be completed at end of month. Staff are informed and have been made aware again and new management will ensure this happens. The Muni Max and LRCIP account will be closed in the 22/23 year as they are no longer required, however, management agrees these accounts should have been reconciled.		Y	Creditors	DCEO
6. Investment of Surplus Funds		✓		Management is currently reviewing this process and will incorporate this as part of the end of month process to ensure staff are following the policies and procedures in relation to the investment portfolio. As of 30 June 2022, the one Term Deposit was matured on 25th June and was re-invested between 3 financial institutions in accordance with the investment policy.	12-Aug-22		Creditors	DCEO
7. Credit Note authorisation Forms		✓		Management will ensure all debtor credit note authorisation forms are properly approved and signed off, however, the existing form has not included a provision for an approver to sign, therefore the form will be updated.	31-Jul-22		Creditors	DCEO
8. Cancelled Receipts		✓		The form will be updated to include a provision for a Manager/CEO approval section. Management will investigate and put in place an end of month process to verify receipt cancellations during the month.	31-Jul-22		All	DCEO
9. Asset Disposal Forms		✓		Management will review and update the form to capture the approval of disposal by management as this was not provided for when the form was developed.	31-Jul-22		DCEO	CEO



SHIRE OF  
**DOWERIN**  
TIN DOG TERRITORY

**Business Continuity Plan**  
**Updated July 2022**

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## Version Control

No.	Date	Details	By
1	March 2020	Plan Adopted	Council
2	March 2021	Update of Key Contacts, removal of DHC site due to staff relocation to the Administration Office, inclusion of an Incident Response Plan for responding to a pandemic.	Management
3	July 2022	Update of Key Contacts to reflect organisation restructure.	Management
4			
5			
6			
7			
8			

## 1.0 KEY CONTACTS

### Contact List - Internal

Person	Position	Mobile No.	Responsibilities Incident Response
Rebecca McCall	Chief Executive Officer & Chief Warden	0417 449 451	IR Team Leader
Aaron Wooldridge	Deputy Chief Executive Officer & Deputy Chief Warden	0400 546 929	IR Team Member
Vacant	Asset & Works Coordinator		IR Team Member
Bianca Zampogna	Asset & Works Administration Officer		IR Team Member
Linley Dreghorn	Executive & Governance Officer & Communication Officer		IR Team Member
Karri Lee	Community Development Officer		IR Team Member
Lisa Begley	Dowerin Home Care Coordinator		IR Team Member
Jasmine Pietrocola	Fire Warden - Shire Administration Office		IR Team Member
Sheldon Cox	First Aid Officer - Shire Administration Officer		IR Team Member
Michael McCall	Fire Warden - Depot		IR Team Member
Vacant	First Aid Officer - Depot		IR Team Member
Cr Robert Trepp	Shire President	0435 595 493	Shire President

### Contact List - External

Key Contacts	Contact Numbers/s
Police & Emergency Services	000
Dowerin Police Station	9631 1100
Ambulance	000
St John Ambulance Dowerin	9631 1906
Goomalling Medical Surgery	9629 1166
Goomalling Hospital	9629 0100
Wyalkatchem Hospital	9692 1222
Wyalkatchem Doctor Surgery	9681 1140
Insurance Company - LGIS	9483 8888
Key Suppliers / Locksmith - Swan Locks	9328 3141



Electrician - Jo electrics	0419 963 624
Plumber - 5 Rivers Plumbing & Gas	0439 827 058
Water & Sewerage - Water Corporation	13 13 75
Electricity - Western Power	13 13 51
Telephone - Telstra	13 20 00 / 13 29 99
IT Support - Wallis Computer Solutions	9661 1803 / 0428 611 803
Primary Business System Software - IT Vision	9315 7000
Primary Business System Software - SharePoint - SOS	0438 925 883
Internet Service Provider - Telstra	6224 9829 / 1800 730 062 Opt 1
WA Local Government Association	9213 2000
ABC Radio - Midwest & Wheatbelt	9923 4111 (Northam 1215AM)
Department of Transport Licensing	6551 6568 / 1800 354 928
State Records Office	9427 3600
Bank/Building Society - National Bank	9690 2505
Accountant (Auditor) - OAG / AMD	6557 7500 / 9780 7555
Waste Collection - Avon Waste	9641 1318
Lawyer - Norton Rose Fulbright Australia	6212 3245 / 0407 722 752

## 2.0 INTRODUCTION AND OBJECTIVES

The purpose of developing a Business Continuity Plan (BCP) is to ensure the capability of the Shire of Dowerin to continue to deliver its services at an acceptable level following a disruptive incident or disaster. The BCP was adopted by Council in March 2020.

A disaster is defined as a serious disruption of the functioning of the Shire of Dowerin causing widespread human, economic or environmental loss or disturbance. Such disasters include incidents like fire, flood, storm or earthquake.

A BCP uses measures such as alternative premises and other facilities to ensure that a business can continue operations and if not, restore operations as quickly as possible after a calamity.

The objectives of this plan enable the Shire to:

1. Ensure we are prepared prior to an event;
2. Define, prioritise and re-establish critical business functions as quickly and efficiently as possible;
3. Follow a systematic plan for the management of any incident or disaster;
4. Detail the immediate response to minimise damage or loss during a critical incident;
5. Minimise the effect of an incident on the community, staff and Council; and
6. Review and update this plan on a regular basis.

The Shire recognises that some events may exceed the capacity of routine management methods and structure. The BCP aims to provide a mechanism for the development of contingent capacity and logical plans that will enable management to focus on maintaining and resuming the Shire's most critical functions; whilst working in a practical way toward eventual restoration of operations and ensuring unaffected operations are able to continue.

This BCP reinforces, and is reinforced by, the Shire's Risk Management Framework and Risk Management Policy.

This BCP will be located on the Shire website [www.dowerin.wa.gov.au](http://www.dowerin.wa.gov.au) and SharePoint to ensure it is always available. Copies will also be placed in the Chief Executive Officer's vehicle, all Managers' vehicles and the fireproof strong room within the Shire Administration Office.

### 3.0 BUSINESS CONTINUITY PRIORITIES

Priority	Critical Activities	Recovery Time Objective (RTO) - O Maximum Tolerable Period of Disruption - X				
		1 day	3 days	5 days	10 days	20 days
1	Phone Calls (Receiving)	X				
1	Manage Admin/Cleaning OSH Issues & Incidents	X				
1	Manage Works OSH Issues & Incidents	X				
1	Complaint Handling - Urgent	X				
1	Shire Building Maintenance	X				
1	Cemetery	X				
1	Prioritised Reactive Road, Footpath & Drainage Maintenance	X				
1	Front Counter Assistance	X				
2	Banking		X			
2	Receipting Money & Invoices		X			
2	Building Applications			O	X	
2	Payroll		O	X		
2	Print Communications (Despatch, Newsletters, Flyers)			X		
3	Waste Disposal			X		
3	Private Works (communicate delay)		X			
3	Generation & Signing of Urgent Creditor Cheques				O	X
4	Receipting through Synergy				X	
4	Record Keeping/Archives				X	
4	Council Meetings				X	

## 4.0 CRITICAL BUSINESS FUNCTIONS

### 4.1 Corporate & Community Services

Service Area	Function	RTO
Corporate	Communications & media management	1
Corporate	Maintenance of Shire website	1
Community	Dowerin Home Care - provision of meals & critical health services to clients	1
Finance	Accounts Payable (Creditors)	5
Finance	Accounts Receivable (Debtors)	10
Finance	Banking & Taxation	1
Finance	Licensing	2
Finance	Payroll	1
Corporate	Cemetery reservations & internments	5
Corporate	Customer complaints	3
Corporate	Customer enquiries	3
Corporate	Records management	3
Ranger Services	Animal control	1

### 4.2 Governance Services

Service Area	Function	RTO
Governance	Elected Member liaison & support	1
Governance	Cleaning of facilities	3
Building Services	Bush Fire Brigades response & support	1
Environmental Health	Food premises inspections	1
Environmental Health	Respond to environmental health issues	1
Building / Environmental Health	Temporary accommodation approvals	1

### 4.3 Asset & Works Services

Service Area	Function	RTO
Building Services	Reactive building maintenance	1
Environmental Health	Sewerage management	1
Environmental Health	Water quality monitoring	1
Environmental Health	Waste collection	1
Parks & Gardens	Playground inspections	2
Parks & Gardens	Sportsground maintenance	10
Works	Reactive maintenance	1
Works	Storm & disaster response	1
Works	Fleet servicing & maintenance	5
Works	Landfill operations	5
Works	Road safety assessments	1

## 5.0 DEFERRED FUNCTIONS & SERVICE DELIVERY

### 5.1 Corporate & Community Services

Service Area	Function
Community Development	Community events and activities
Governance	Civic functions & receptions
Finance/Community Development	Grant management
Community	Dowerin Home Care - provision of all nonlife-threatening services
Corporate	DoT vehicle licensing & registration
Corporate	WAPOL licensing & registration (firearms)
Corporate	Facility hire
Corporate	Insurance management
Corporate	Records management
Finance	Rates calculation & collection

## 5.2 Governance Services

Service Area	Function
Governance	Advocacy
Building Services	Demolition licence assessment
Building Services	Issue building licence assessment
Building Services	Private building licence assessment
Building Services	Private swimming pool inspections
Environmental Health	Food premises approvals & registration
Environmental Health	Liquor licence approvals
Environmental Health	Lodging house inspections
Environmental Health	Pest control
Environmental Health	Public buildings, accommodation approvals & registration
Environmental Health	Trade/stallholders permits
Planning Services	Business & community signage approvals
Planning Services	Municipal Heritage Inventory management
Planning Services	Subdivision proposals
Planning Services	Town Planning Scheme management
Planning Services	Private Scheme amendment requests
Planning Services	Process & issue development & planning approvals
Planning Services	Provide advice on town planning matters

## 5.3 Asset & Works Services

Service Area	Function
Asset Management	Asset management planning & maintenance
Asset Management	Building inspections
Asset Management	Building maintenance program
Parks & Gardens	Cemetery maintenance
Parks & Gardens	Town maintenance
Parks & Gardens	Park & Reserve maintenance
Parks & Gardens	Playground installations & maintenance
Parks & Gardens	Weed control
Road Construction & Maintenance	Construction & maintenance program
Road Construction & Maintenance	Crossover inspection & approval
Road Construction & Maintenance	School bus stop / routes maintenance
Works	Abandoned vehicles
Works	Clearing permits
Works	Fleet purchasing
Works	Heavy haulage permits
Works	Private works
Works	Road name and street numbering
Works	Survey, design & layout of drainage, footpaths & roads
Works	Traffic management

## **6.0 DISASTER RECOVERY CENTRE**

### **6.1 Town Hall & Lesser Hall**

In the event of relocation, the current infrastructure at the Town Hall & Lesser Hall would be sufficient to support allocated staff and business operations, noting that IT access and phones would have to be purchased to enable access.

There is a small kitchenette, sufficient rest room facilities and ample car parking.

It should be noted however, there are no generator facilities on site hence these would have to be hired in.

### **6.2 Dowerin Community Club**

In the event of relocation, the current infrastructure at the Dowerin Community Club would be sufficient to support the allocated staff and business operations. Telephone line availability is limited, therefore some reliance on mobile communications will be required.

Accommodation, power outlets, computer data points and desk/table space is sufficient for short term relocation as well as kitchen/cool room facilities and rest rooms. Excellent car parking is available.

The Dowerin Community Club is also most suitable as a public evacuation centre without impinging on the above. Access for persons with disabilities is not an issue.

It should be noted however, there are no generator facilities on site hence these would have to be hired in.

### **6.3 Dowerin Community Resource Centre**

Although not suitable or appropriate as a Disaster Recovery Centre, it is noted that the Dowerin Community Resource Centre has Wi-Fi access and conferencing facilities which may be utilised in the event that business operations are being delivered from the Town or Lesser Hall or the Dowerin Community Club.

## **7.0 TESTING THE PLAN**

As the Council changes over time, it is essential to ensure that the current procedures of before, during and after a disaster remain relevant and effective.

The Management Recovery Team should conduct a structured walkthrough every 12 months, which will involve a review of the BCP.

Every 24 months a physical test should be performed, testing the external sites and resources that are relied upon in the case of a disaster. The occurrence of events also requires a test or review of the BCP to be carried out, such as:

1. changes made to the emergency procedures;
2. a new business operation is introduced;
3. changes made to the Council's organisational structure;
4. a disaster situation is managed and business processes restored.

Performing regular tests will examine and ensure the Shire can respond to and managing an emergency situation.

To ensure the testing of the BCP is undertaken, the outlined tasks will be incorporated in the Shire of Dowerin's Risk Management Governance Framework and risk profile reporting tool.

## 8.0 INCIDENT RESPONSE PLANS

The following incident response plans present the Incident Response Team hierarchy that shall be employed in the event of an emergency. If under extreme circumstances the Chief Executive Officer or any member of the senior management team is disabled, then the team will consist of all the remaining available senior management.

The plans are not exhaustive, as any major incident will require more detailed and potential long-term considerations, however the plans below provide a structured response to major incidents that are of the highest threat to service provision and Shire operations.

### 8.1 Loss of Administration Office

Types of incidents include fire, flood and earthquake.

<b>TASK 1 - Immediate Response</b>		
This task provides the necessary command and control to enable the Shire of Dowerin's Incident Response Team to conduct an initial assessment of the disaster and to co-ordinate the Shire's initial response to the disaster.		
<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Asset & Works Coordinator Fire Warden First Aid Officer Communication Officer Shire President (media liaison)
<b>Recovery Procedure</b>	Incident Response Team Leader/Fire Warden to undertake the following steps: <ol style="list-style-type: none"> <li>1. Ensure site has been evacuated and all personnel are accounted for</li> <li>2. Secure site and prevent access</li> <li>3. Contact Emergency Services and Police</li> <li>4. Identify any injuries and render assistance</li> <li>5. Engage Incident Response Team</li> <li>6. Undertake an initial assessment of damage and risks</li> <li>7. Call Telstra and arrange the diversion of phone lines to existing Shire mobiles</li> <li>8. Team Leader determines time frame to switch to disaster recovery site</li> </ol>	
<b>Recovery Time Objective</b>	Time frame for this activity is within 24 hours of the incident	
<b>Recovery Location</b>	Primary Site:	Town Hall &/or Lesser Hall
	Secondary Site:	Dowerin Community Club
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Mobile phones</li> <li>2. iPads &amp; laptops</li> <li>3. Personnel</li> </ol>	

<b>Other Considerations</b>	<ol style="list-style-type: none"> <li>1. Secure the affected area as necessary</li> <li>2. Restrict access to the building/site</li> <li>3. Liaise with Emergency Services and Police</li> <li>4. Inform Local Government Insurance Services (LGIS)</li> <li>5. Inform Elected Members and employees</li> <li>6. Liaise with Shire President to make a press release</li> <li>7. Inform community where possible</li> </ol>
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### TASK 2 – Commence Operations from Disaster Recovery Site

This task provides the necessary steps to commence core Shire operations from the Disaster Recovery Site and commence the planning for restoration of services in the short and longer term.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Executive & Governance Officer Asset & Works Coordinator Asset & Works Administration Officer Community Development Officer
<b>Recovery Procedure</b>	<p>Undertake the following steps:</p> <ol style="list-style-type: none"> <li>1. Establish the disaster recovery site – <b>DCEO</b> <ol style="list-style-type: none"> <li>a. Layout workspace utilising tables and chairs from the Town &amp;/or Lesser Hall</li> <li>b. Source telephones, establish communications and arrange to have calls directed to landline</li> <li>c. Allocate staff to customer service and disaster recovery assistance</li> <li>d. Liaise with other Incident Response Team members to determine items to be immediately replaced and what is recoverable.</li> <li>e. Contact IT Vision &amp; Shire’s IT supplier (Market Creations)</li> <li>f. Recover backups</li> <li>g. Cancel all forward bookings of the Town &amp;/or Lesser Hall.</li> </ol> </li> <li>2. Assess damage and undertake salvage operations – <b>DCEO</b> <ol style="list-style-type: none"> <li>a. Undertake initial assessment of salvageable materials, items and records, etc.</li> <li>b. Contact staff to remove items to the salvage site (Depot)</li> </ol> </li> <li>3. Co-ordinate all communications, media and elected members, insurers and general co-ordination of recovery process – <b>DCEO</b> <ol style="list-style-type: none"> <li>a. Liaise with Shire President to issue a media statement</li> <li>b. Co-ordinate meetings of Incident Response team</li> <li>c. Authorise all immediate purchasing requirements</li> <li>d. Liaise with Shire’s insurers</li> <li>e. Oversee Assessment and recovery</li> </ol> </li> </ol>	
<b>Recovery Time Objective</b>	The aim of the Recovery Plan is to achieve this task within 72 hours	



**Resource Requirements**

1. Office furniture & stationery
2. Administration staff
3. IT hardware & software
4. Communications (landline & internet)

### TASK 3 – Assess Damage and Prepare Medium Term Recovery Plans

This task provides the necessary steps to commence planning for medium term operations from the Disaster Recovery Site.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Executive & Governance Officer Asset & Works Coordinator Asset & Works Administration Officer Community Development Officer
<b>Recovery Procedure</b>	<p>Undertake the following steps:</p> <ol style="list-style-type: none"> <li>1. Establish the disaster recovery site for full operations in the medium to longer term - <b>DCEO</b> <ol style="list-style-type: none"> <li>a. Recover data to pre disaster state</li> <li>b. Bring all records up to date</li> <li>c. Contact all necessary persons to inform of incident, expected delays and seek documentation where necessary</li> <li>d. Establish necessary equipment and infrastructure requirements to provide full operations from recovery site including demountable buildings and other office accommodation.</li> </ol> </li> <li>2. Finalise damage assessment and commence planning for re-establishing services through full or partial rebuild - <b>DCEO</b> <ol style="list-style-type: none"> <li>a. Undertake assessment of building and determine action to fully or partially rebuild and make recommendation to Council.</li> </ol> </li> <li>3. Co-ordinate all communications, media and elected members, Local Government insurers and general co-ordination of recovery process - <b>CEO</b> <ol style="list-style-type: none"> <li>a. Oversee assessment and recovery</li> <li>b. Co-ordinate meetings of Incident Response Team</li> <li>c. Oversee planning for medium term operation from Disaster Recovery Site (6-12 months)</li> </ol> </li> </ol>	
<b>Recovery Time Objective</b>	4 weeks	
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. IT contractors</li> <li>2. Additional infrastructure as identified</li> <li>3. Contractors to clean up disaster site</li> </ol>	

#### TASK 4 – Long Term Recovery Plan and Relocation to Permanent Shire Office Building

This task provides the necessary steps to finalise planning, rebuilding, and recommencement of operations from the permanent Shire Office building.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Executive & Governance Officer Asset & Works Coordinator Asset & Works Administration Officer Working Group appointed by Council
<b>Recovery Procedure</b>	<p>Undertake the following steps <b>(CEO)</b>:</p> <ol style="list-style-type: none"> <li>1. Establish working group to: <ol style="list-style-type: none"> <li>a. Review operations for location of new premises</li> <li>b. Undertake design and tendering processes</li> <li>c. Oversee construction of new premises</li> <li>d. Oversee commissioning of new premises</li> </ol> </li> <li>2. Present review findings to Council for decision</li> <li>3. Appoint architect, exterior and interior designers, engineers and other necessary assistance to design, specify and document new premises</li> <li>4. Issue tenders, appoint contractor(s) and commence construction</li> <li>5. Commission new premises and commence operations from new building</li> </ol>	
<b>Recovery Time Objective</b>	From the commencement of this task, 4 weeks after the incident, it is the target to have all Shire functions permanently operating from the rebuilt Shire Office within 12 months.	
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Planning assistance</li> <li>2. Consultants/architects</li> <li>3. Builders &amp; contractors</li> </ol>	

## 8.2 Complete IT Hardware Failure

TASK		
This task provides the necessary steps to recover the Shire's IT system as a result of complete failure resulting in replacement of the IT system.		
<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Executive & Governance Officer Records Officer(s) IT Provider(s)
<b>Recovery Procedure</b>	Undertake the following steps: <ol style="list-style-type: none"> <li>1. Assess severity of outage through the Shire's IT provider(s) and determine likely outage time</li> <li>2. Seek quotations and place orders for replacement components</li> <li>3. Contact Shire's insurers and Police if necessary</li> <li>4. Inform Council, community and business contacts (ie banks, creditors and contractors) of potential delays in providing services</li> <li>5. Set up and install new hardware. Install all software and restore from backups</li> <li>6. Reconcile and rebuild all data</li> </ol>	
<b>Recovery Time Objective</b>	2 to 4 weeks	
<b>Resource Requirements</b>	IT suppliers (hardware/software, Synergy Soft, Department of Transport, SharePoint, etc.)	

### 8.3 Loss of Depot Buildings

Types of incidents include fire, flood and earthquake.

TASK 1 - Immediate Response		
This task provides the necessary command and control to enable the Shire of Dowerin's Incident Response Team to conduct an initial assessment of the disaster and to co-ordinate the Shire's initial response to the disaster.		
<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Asset & Works Coordinator Asset & Works Administration Officer Fire Warden First Aid Officer Communication Officer Shire President (media liaison)
<b>Recovery Procedure</b>	Incident Response Team Leader/Fire Warden to undertake the following steps: <ol style="list-style-type: none"> <li>1. Ensure site has been evacuated and all personnel are accounted for</li> <li>2. Secure site and prevent access</li> <li>3. Contact Emergency Services and Police</li> <li>4. Identify any injuries and render assistance</li> <li>5. Engage Incident Response Team</li> <li>6. Undertake an initial assessment of damage and risks</li> <li>7. Team Leader determines time frame to switch to disaster recovery site</li> </ol>	
<b>Recovery Time Objective</b>	Time frame for this activity is within 24 hours of the incident	
<b>Recovery Location</b>	Primary Site:	Main Depot (Cnr Cottrell St & Memorial Ave)
	Secondary Site:	Lower Depot (Cnr Cottrell, Stewart & Couper Sts)
	Back up Site:	Ram Shed at Field Days site
Note: Due to the location of the Main Depot and the Lower Depot, depending on the nature of the disaster, it is possible for each location to be the Primary and Secondary Site for the other. Should both Depots be damaged in the same disaster (i.e., earthquake) the Ram Shed would be the identified Recovery Location.		
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Mobile phones</li> <li>2. Personnel</li> <li>3. Ablutions (may need to be hired in)</li> <li>4. Fuel (may need to be ordered in)</li> </ol>	
<b>Other Considerations</b>	<ol style="list-style-type: none"> <li>1. Secure the affected area as necessary</li> <li>2. Restrict access to the building/site</li> <li>3. Liaise with Emergency Services and Police</li> <li>4. Inform Local Government Insurance Services (LGIS)</li> <li>5. Inform Elected Members and employees</li> <li>6. Liaise with Shire President to make a press release</li> <li>7. Inform community where possible</li> </ol>	

## TASK 2 – Commence Operations from Disaster Recovery Site

This task provides the necessary steps to commence core Shire operations from the Disaster Recovery Site and commence the planning for restoration of services in the short and longer term.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Asset & Works Coordinator Asset & Works Administration Officer
<b>Recovery Procedure</b>	<p>Undertake the following steps:</p> <ol style="list-style-type: none"> <li>1. Establish the disaster recovery site – <b>Asset &amp; Works Coordinator</b> <ol style="list-style-type: none"> <li>a. Establish appropriate temporary depot site at appropriate Recovery Location</li> <li>b. Administration function to resume from Shire office</li> <li>c. Liaise with other Incident Response Team members to determine items to be immediately replaced and what is recoverable.</li> </ol> </li> <li>2. Assess damage and undertaken salvage operations – <b>CEO &amp; Asset &amp; Works Coordinator</b> <ol style="list-style-type: none"> <li>a. Undertake initial assessment of salvageable materials, items and records, etc.</li> <li>b. Engage staff to remove items to appropriate Recovery Location</li> </ol> </li> <li>3. Co-ordinate all communications, media and Elected Members, insurers and general co-ordination of recovery process – <b>CEO</b> <ol style="list-style-type: none"> <li>a. Liaise with Shire President to issue a media statement</li> <li>b. Oversee assessment and recovery</li> <li>c. Co-ordinate meetings of Incident Response team</li> <li>d. Authorise all immediate purchasing requirements</li> <li>e. Liaise with Shire’s insurers.</li> </ol> </li> </ol>	
<b>Recovery Location</b>	Primary Site:	Main Depot (Cnr Cottrell St & Memorial Ave)
	Secondary Site:	Lower Depot (Cnr Cottrell, Stewart & Couper Sts)
	Back up Site:	Ram Shed at Field Days site
<b>Recovery Time Objective</b>	The aim of the Recovery Plan is to achieve this task within 72 hours	
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Works staff</li> <li>2. Plant &amp; equipment</li> <li>3. Ablutions (may need to be hired in)</li> <li>4. Fuel (fuel and storage options may need to be hired in)</li> </ol>	

### TASK 3 – Assess Damage and Prepare Medium Term Recovery Plans

This task provides the necessary steps to commence planning for medium term operations from the Disaster Recovery Site.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Asset & Works Coordinator Asset & Works Administration Officer
<b>Recovery Procedure</b>	<p>Undertake the following steps:</p> <ol style="list-style-type: none"> <li>1. Establish the disaster recovery site for full operations in the medium to longer term – <b>Assets &amp; Works Coordinator</b> <ol style="list-style-type: none"> <li>a. Establish appropriate temporary depot site at appropriate Recovery Location</li> <li>b. Administration function to resume from Shire office (or alternate site)</li> <li>c. Contact all necessary persons to inform of incident, expected delays and seek documentation where necessary</li> <li>d. Liaise with CEO to establish necessary equipment and infrastructure requirements to provide full operations from recovery site.</li> </ol> </li> <li>2. Finalise damage assessment and commence planning for re-establishing services through full or partial rebuild – <b>CEO &amp; Asset &amp; Works Coordinator</b> <ol style="list-style-type: none"> <li>a. Undertake assessment of building and determine action to fully or partially rebuild and make recommendation to Council.</li> </ol> </li> <li>3. Co-ordinate all communications, media and Elected Members, insurers and general co-ordination of recovery process – <b>CEO</b> <ol style="list-style-type: none"> <li>a. Oversee assessment and recovery</li> <li>b. Co-ordinate meetings of Incident Response Team</li> <li>c. Oversee planning for medium term operation from Disaster Recovery Site (6-12 months)</li> </ol> </li> </ol>	
<b>Recovery Location</b>	Primary Site:	Main Depot (Cnr Cottrell St & Memorial Ave)
	Secondary Site:	Lower Depot (Cnr Cottrell, Stewart & Couper Sts)
	Back up Site:	Ram Shed at Field Days site
<b>Recovery Time Objective</b>	4 weeks	
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Additional infrastructure, plant &amp; equipment as identified</li> <li>2. Contractors to clean up disaster site</li> </ol>	

#### TASK 4 – Long Term Recovery Plan and Relocation to Permanent Shire Depot

This task provides the necessary steps to finalise planning, rebuilding, and recommencement of operations from the permanent Shire Depot.

<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Asset & Works Coordinator Asset & Works Administration Officer Working Group appointed by Council
<b>Recovery Procedure</b>	<p>Undertake the following steps <b>(CEO &amp; Asset &amp; Works Coordinator)</b>:</p> <ol style="list-style-type: none"> <li>1. Establish working group to: <ol style="list-style-type: none"> <li>a. Review operations for location of new premises</li> <li>b. Undertake design and tendering processes</li> <li>c. Oversee construction of new premises</li> <li>d. Oversee commissioning of new premises</li> </ol> </li> <li>2. Present review findings to Council for decision</li> <li>3. Appoint engineers and other necessary assistance to design, specify and document new premises</li> <li>4. Issue tenders, appoint contractor(s) and commence construction</li> <li>5. Commission new premises and commence operations</li> </ol>	
<b>Recovery Time Objective</b>	From the commencement of this task, 4 weeks after the incident, it is the target to have all Shire functions permanently operating from the rebuilt Shire Depot within 12 months	
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Planning assistance</li> <li>2. Consultants/engineers</li> <li>3. Builders &amp; contractors</li> </ol>	



## 8.4 Responding to a Pandemic

Types of new infectious diseases include Coronavirus, Ebola, Influenza.

TASK – Immediate Response		
This task provides the necessary command and control to enable the Shire of Dowerin's Incident Response Team to conduct an initial assessment of the pandemic and to co-ordinate the Shire's initial response to the disaster.		
<b>Incident Response Team</b>	Team Leader:	Chief Executive Officer
	Team Members:	Deputy Chief Executive Officer Executive & Governance Officer Dowerin Home Care Coordinator Communication Officer First Aid Officer
<b>Risk Minimisation</b>	<ol style="list-style-type: none"> <li>1. Continuous review and update of information/protocol</li> <li>2. Providing a safe working environment including but not limited to:               <ol style="list-style-type: none"> <li>2.1 Cleaning &amp; hygiene regime</li> <li>2.2 Supply of cleaning equipment and materials</li> <li>2.3 Access to appropriate PPE</li> <li>2.4 Practical steps to take in the workplace</li> <li>2.5 Meetings and events</li> <li>2.6 Elected Member and Employee travel</li> <li>2.7 Elected Member and Employees who are not well</li> <li>2.8 Alternative working arrangements</li> <li>2.9 Self-isolating</li> <li>2.10 Waiting for health test results</li> <li>2.11 Social distancing</li> <li>2.12 Seating arrangements</li> <li>2.13 Facility management</li> </ol> </li> </ol>	
<b>Recovery Objective</b>	A specific framework to manage potential implications of a pandemic will be developed in response to a pandemic health alert. The Plan will be developed based on advice received from the Commonwealth and State Governments specific to the circumstances of the individual pandemic.	
<b>Recovery Time</b>	Dependent of advice provided by the Commonwealth and State Governments; ongoing review.	
<b>Recovery Location</b>	Primary Site 1:	Administration Office
	Primary Site 2:	Depot
	Secondary Site:	Working from home
<b>Resource Requirements</b>	<ol style="list-style-type: none"> <li>1. Mobile Phones</li> <li>2. iPads and laptops</li> <li>3. Internet access</li> <li>4. Remote access</li> <li>5. Personnel</li> <li>6. Teleconferencing/Videoconferencing</li> <li>7. PPE</li> </ol>	

<b>Other Considerations</b>	<ol style="list-style-type: none"><li>1. Restrict client, visitor and customer access</li><li>2. Inform Elected Members and employees</li><li>3. Ability for staff to work from home</li><li>4. Inform clients, community and stakeholders</li><li>5. Elected Member &amp; Employee Flu Vaccination Program</li><li>6. Stakeholder communication</li><li>7. IT and communication management</li><li>8. Community information packs</li><li>9. Defer activities and events</li><li>10. Review delivery of services</li></ol>
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## 9.0 IMMEDIATE RESPONSE CHECKLIST

INCIDENT RESPONSE	√	ACTIONS TAKEN
Have you: • Assessed the severity of the incident?	<input type="checkbox"/>	
• Evacuated the site if necessary?	<input type="checkbox"/>	
• Accounted for everyone?	<input type="checkbox"/>	
• Identified any injuries to persons?	<input type="checkbox"/>	
• Contacted Emergency Services?	<input type="checkbox"/>	
• Implemented your Incident Response Plan?	<input type="checkbox"/>	
• Started an Event Log?	<input type="checkbox"/>	
• Activated staff members and resources?	<input type="checkbox"/>	
• Appointed a spokesperson?	<input type="checkbox"/>	
• Gained more information as a priority?	<input type="checkbox"/>	
• Briefed team members on incident?	<input type="checkbox"/>	
• Allocated specific roles and responsibilities?	<input type="checkbox"/>	
• Identified any damage?	<input type="checkbox"/>	
• Identified critical activities that have been disrupted?	<input type="checkbox"/>	
• Kept staff informed?	<input type="checkbox"/>	
• Contacted key stakeholders?	<input type="checkbox"/>	
• Understood and complied with any regulatory/compliance requirements?	<input type="checkbox"/>	
• Initiated media/public relations response?	<input type="checkbox"/>	

## 10.0 INCIDENT RECOVERY CHECKLIST

INCIDENT RESPONSE	√	ACTIONS
Now that the crisis is over have you: <ul style="list-style-type: none"> <li>• Refocused efforts towards recovery?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Deactivated staff members and resources as necessary?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Continued to gather information about the situation as it affects you?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Assessed your current financial position?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Reviewed cash requirements to restore operations?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Contacted your insurance broker/company?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Developed financial goals and timeframes for recovery?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Kept staff informed?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Kept key stakeholders informed?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Identified information requirements and sourced the information?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Set priorities and recovery options?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Updated the Recovery Plan?</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Captured lessons learnt from your individual, team and business recovery?</li> </ul>	<input type="checkbox"/>	

## 11.0 EVACUATION PROCEDURES

Relevant procedures and plans have been developed and are displayed in accordance with Council's OSH policy and procedures in positions easily accessible to staff and customers.

## 12.0 EMERGENCY KIT

In the event of evacuation or damage to the Administration Office, Works Depot, or The Dowerin Home Care and relocation of the unit to a Disaster Recovery Site, two emergency kits have been made up.

The kits are located at:

1. The Administration Office, in the fireproof strong room;
2. The Dowerin Home Care Office, in the Coordinator's office; and
3. The Depot, in the office.

The Works Administration Officer is responsible for annually checking and updating the kits. The items and documents included in the emergency kit are:

### **Documents:**

1. Business Continuity Plan incorporating contact lists;
2. List of staff names and contact numbers;
3. Councillor contact details;
4. Copy of Shire templates and forms (on a USB);
5. Basic stationery;
6. One ream of Council Letterhead;
7. Box of envelopes; and
8. Local Dowerin phone directory.

## 13.0 REVIEW & MAINTAIN

It is critical that this plan is regularly reviewed to ensure that it remains relevant, accurate and useful. The CEO is responsible for reviewing and maintaining the plan including annual updating of all the contact and insurance lists. This maintenance is a key factor in the successful implementation of the plan during an emergency.

The plan should use staff titles rather than names and any organisational structure changes must be reviewed with the plan.

After an event it is important to assess the performance of the plan, highlighting what was handled well and what could be improved upon next time.

Each workplace fire warden will develop an evacuation process which will be laminated and displayed clearly for staff and visitors to access.

## 14.0 LGIS INSURANCE POLICIES

Insurance Type	Policy Coverage	Policy Exclusions	Insurance Company and Contact	Last Review Date	Payments Due
LGIS Property Business Interruption	Business interruption due to: Section 1 Event occurring – insured risks of physical loss, destruction or damage to property not specifically excluded in the policy wording	As per LGIS Property Protection Policy Wording VO1.2017 – Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS – Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
Motor Vehicle	All motor vehicles and trailers  <b>Section 1 Loss or damage to vehicles as per Interest Insured.</b> Current market value at the time of loss or damage or sum insured value specified in the Declaration of vehicles, whichever is the lesser, but limited per council to \$20,000,000 any one event. <b>Section 2 Cover for Third Party Liability</b> \$35,000,000 but limited to \$5,000,000 for any dangerous goods carrying vehicles, for all claims arising from the one accident or series of accidents resulting from the one original cause (as defined in this section of the policy).	As per ZU12208_JLT Local Authorities Policy Wording V5 – Exclusions Applicable to All Sections, Exclusions – Section1 & Exclusions – Section 2  Policy Excess \$300	LGIS – Sandra Clohessy (9483 8865) Policy No 63 4012190 VFT	30 June Annually	Annually
Personal Accident	The Mayor, President, Chairperson, Elected Members, Councillors, Commissioners, Voluntary Workers Children involved in Council authorised excursions.	The insurance being provided under this policy shall only apply whilst a Covered Person is engaged in work as an elected member or voluntary worker, provided that such work is	LGIS – Sandra Clohessy (9483 8865) Policy No 93130510	30 June Annually	Annually

Insurance Type	Policy Coverage	Policy Exclusions	Insurance Company and Contact	Last Review Date	Payments Due
	<i>Members of any Committees and Trusts established by the Insured Other Persons where the Insured is required to provide coverage whilst such persons are engaged in any Government Labour Market, Training, Work Experience or Job Creation Projects.</i>	<i>authorised by the Policyholder, including necessary direct travel to and from such work on behalf of the Policyholder. As per Chubb 16PDSVW03 Voluntary Workers Insurance Policy Wording -General Exclusions Applicable To The Policy (page 25) Any Excesses which may apply</i>			
<i>LGIS Liability</i>	<b>Section A</b> <i>Public Liability - \$600 Million any one occurrence Products Liability - \$600 Million any one occurrence and in the aggregate any one period of protection</i> <b>Section B</b> <i>Professional Indemnity any one occurrence and in the aggregate any one period of protection</i>	<i>As per LGIS Liability Protection Policy Wording Version 17 dated June 2019 - Exclusions (pages 10-15) Any Excesses which may apply</i>	<i>LGIS - Sandra Clohessy (9483 8865) Policy No 000115</i>	<i>30 June Annually</i>	<i>Annually</i>
<i>LGIS WorkCare</i>	<b>Workers Compensation</b> <i>Coverage is granted to The Member in accordance with the Workers Compensation and Injury Management Act (1981)(as amended) including Unlimited Common Law</i> <b>Journey Accident Cover</b> <i>The cover extends to include accidents that occur whilst a worker is travelling directly to and from his/her workplace where the Workers Compensation and Injury Management Act (1981)(as amended) does not provide cover Death &amp; Capital Benefits: \$300,000 Weekly Benefits: 100% up to</i>	<i>As per LGIS WorkCare Protection June09 - Nil Exclusions &amp; Chubb Journey Accident Insurance Policy Wording 16PDSJA03 - General Exclusions Applicable to The Policy (page 25) No Excess</i>	<i>LGIS - Sandra Clohessy (9483 8865) Policy No 000591</i>	<i>30 June Annually</i>	<i>Annually</i>

Insurance Type	Policy Coverage	Policy Exclusions	Insurance Company and Contact	Last Review Date	Payments Due
	\$2,500 Nil Excess				
LGIS Property Buildings - Shire office	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
LGIS Property Contents - Shire office	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
LGIS Property Building - Depot	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess 1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
LGIS Property Contents - Depot	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
LGIS Property Building - Dowerin Home Care	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
LGIS Property Contents - Dowerin Home Care	As per Policy Wording	As per LGIS Property Protection Policy Wording VO1.2017 - Exclusions to All Sections (pages 26-34)  Policy Excess \$1,000	LGIS - Sandra Clohessy (9483 8865) Policy No 000115	30 June Annually	Annually
Crime and Cyber-crime	Loss must be a direct financial loss sustained by The Member anywhere in the	As per LGIS Liability Scheme providing protection for the first \$50,000 any one loss,	LGIS - Sandra Clohessy (9483 8865)	30 June Annually	Annually



Insurance type	Policy coverage	Policy exclusions	Insurance company and contact	Last review date	Payments due
	<p><i>world in connection with a single act or series of related continuous or repeated acts of:</i></p> <ul style="list-style-type: none"> <li><i>a) an internal crime; or</i></li> <li><i>b) an external crime; or</i></li> <li><i>c) a theft; or</i></li> <li><i>d) physical loss or damage \$500,000 for Crime and \$1,000,000 for Cyber-crime.</i></li> </ul>	<p><i>subject to CHUBB Elite 11 fraud Protector Commercial Crime Insurance Policy (ed.AU 11/13) - What Is Not Covered</i></p> <ul style="list-style-type: none"> <li><i>Policy Excess \$1,000 - Crime</i></li> <li><i>Policy Excess \$15,000 - Cyber-crime</i></li> </ul>	<p><i>Policy No 05CH005846</i></p>		

## 15.0 BUSINESS IMPACT ANALYSIS

As part of the Business Continuity Plan the Shire has undertaken a Business Impact Analysis which will use the information in the Risk Management Plan to assess the identified risks and impacts in relation to critical activities of the Shire operations and determine basic recovery requirements.

### **Critical Business Activity**

The following table lists the critical business activities that must be performed to ensure the Shire's business continues to operate effectively.

#### General Risk Area 1

Finance and Accounting

Payroll

Environmental Health

#### General Risk Area 2

Road Construction and Maintenance

Public Conveniences

Waste Management

Critical Business Activity	Description	Priority	Impact of Loss <i>(losses in terms of financial, staffing, loss of reputation etc.)</i>	RTO <i>(critical period before business losses occur)</i>
General Risk Area 1	All critical activities to manage Council's key administrative and governance processes: <ul style="list-style-type: none"> <li>• Finance and Accounting</li> <li>• Payroll</li> <li>• Environmental Health</li> </ul>	High	<ul style="list-style-type: none"> <li>• Staffing numbers will not change however there will be an impact on productivity levels as functions are completed manually or resources are redirected to the recovery process</li> <li>• The urgent re-establishment of these critical needs may result in Council breaching various statutory and service requirements</li> <li>• There will be a minor impact on customer services which may temporarily reflect upon Council poorly</li> <li>• The re-establishment of the service will depend on many alternate suppliers, such as IT and Communication suppliers, electricity and software providers.</li> </ul>	72 hours

Critical Business Activity	Description	Priority	Impact of Loss <i>(losses in terms of financial, staffing, loss of reputation etc.)</i>	RTO <i>(critical period before business losses occur)</i>
General Risk Area 2	All critical activities to manage Council's on ground, engineering and maintenance services: <ul style="list-style-type: none"> <li>• Road construction and maintenance</li> <li>• Public conveniences</li> </ul>	High	<ul style="list-style-type: none"> <li>• Re-establishment/incremental costs:               <ul style="list-style-type: none"> <li>◦ Machinery at hire rates</li> <li>◦ Public conveniences - no impact</li> </ul> </li> <li>• Staffing numbers will not change, however there will be an impact on productivity levels as functions are completed manually or resources are redirected to the recovery process</li> <li>• There will be minor impact on customer services which may temporarily reflect upon Council poorly</li> <li>• The urgent re-establishment of these critical needs may result in Council temporarily breaching various statutory and service requirements</li> </ul>	72 hours

## 16.0 GLOSSARY

This table provides a consistent and commonly agreed set of definitions for terms used in this Plan.

Business Continuity Planning	A process that helps develop a plan document to manage the risk to a business, ensuring that it can operate to the extent required in the event of a crisis/disaster.
Business Continuity Plan	A document containing all the information required to ensure the business can resume critical business activities should a crisis/disaster occur.
Business Continuity Management	Provides for the availability of processes and resources to ensure than continued achievement of critical objectives.
Critical Business Functions	Those functions essential to deliver outputs and achievement of business objectives.
Disaster	<p>Any event which prevents the Shire from carrying on its usual operations at the normal place of work for more than the predefined Maximum Acceptable Outage (MAO) periods.</p> <p>A disaster may include:</p> <ol style="list-style-type: none"> <li>1. Natural disaster</li> <li>2. Accidental hazards</li> <li>3. Hostile acts</li> <li>4. Wilful or malicious damage</li> <li>5. System/equipment failure</li> <li>6. Loss or destruction of vital records or information</li> <li>7. Loss or lack of critical support functions</li> <li>8. Loss of key personnel</li> <li>9. Pandemic</li> </ol>
Disaster Recovery	Activities and procedures designed to return the organisation to an acceptable condition following a disaster.
Maximum Acceptable Outage (MAO)	The maximum period of time that critical business operations at an acceptable level during and following a disaster.
Recovery Time Objective (RTO)	The time from which a crisis/disaster is declared to the time that the critical business functions must be fully operational in order to avoid serious loss.
System Failure	When the delivered service no longer complies with the specifications, the latter being an agreed description of the system's expected function and/or service. This definition applies to both hardware and software systems. Faults or bugs in a hardware or a software component cause

	errors.
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System Error	Is defined as that part of the system which is liable to lead to subsequent failure, and an error affecting the service is an indication that a failure occurs or has occurred. If the system comprises of multiple components, errors can lead to a component failure. As various components in the system interact, failure of one component might introduce one or more faults in another.
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