AGENDA

Audit & Risk Committee Meeting

To be held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Tuesday 21 December 2021
Commencing 12.30pm

NOTICE OF MEETING

Dear Audit & Risk Committee Members,

The next Audit & Risk Committee Meeting of the Shire of Dowerin will be held on Tuesday 21 December 2021 in the Shire of Dowerin Council Chambers, 13 Cottrell Street, Dowerin commencing at 12.30pm.

Rebecca McCall
Chief Executive Officer
17 December 2021

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SHIRE OF
DOWERIN
TIN DOG TERRITORY

	Shire of Dowerin Audit & Risk Committee Meeting 12.30pm 21 December 2021	

1.	**Official Opening**

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

Committee Members:

Cr Rl Trepp	President & Chair
Cr BA Ward	Deputy President
Cr NP McMorran	
Mrs T 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:

Approved Leave of Absence:

3.	**Public Question Time**

4.	**Disclosure of Interest**

Committee Members are to complete a Disclosure of Interest Form for each item they are required to disclose an interest in. The Form should be given to the Presiding Member before the meeting commences. After the meeting, the Form is to be provided to the Executive & Governance Officer for inclusion in the Disclosures Register.

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

5.1   Audit & Risk Committee Meeting held on 23 September 2021

Attachment 5.1A

Voting Requirements

■	Simple Majority	☐	Absolute Majority

Officer's Recommendation – 5.1

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 20 April 2021, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

6.	**PRESENTATIONS**

Nil

7. OFFICER'S REPORTS

7.1 Risk Dashboard Quarterly Report – December 2021

Governance & Compliance	SHIRE OF **DOWERIN** TIN DOG TERRITORY

Date:	December 2021
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, CEO
Author:	As Above
Legislation:	*Local Government Act 1995*
Sharepoint Reference:	Compliance/Risk Management/Reporting
Disclosure of Interest:	Nil
Attachments:	**Attachment 7.1A** - Risk Dashboard Quarterly Report – December 2021

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, due for completion in February 2022

Action: Review of Long-Term Financial Plan

Comment: Progressing, due for completion in February 2022

KPIs: unable to rank until End of Year Financials 2020/2021 finalised

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 and August.

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

KPI: No BCP exercise undertaken in a 12-month period

Compliance

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

Comment: Progressing, due for completion in February 2022

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: No Environmental Health Officer in place to conduct inspections

Employment Practices

Action: Review of Staff Induction process

Comment: Completion of the Review has been deferred to September 2021 to introduce a new online induction developed in consultation with LG Professionals WA and the local government sector

Action: Develop Health & Wellbeing Plan

Comment: Completion deferred to October 2021 due to operational priorities

Environmental Management

KPI: Asbestos Register maintained

Comment: No Environmental Health Officer to maintain register

Errors, Omissions & Delays

Action: Review Employee Code of Conduct

Comment: Review underway

Safety and Security Practices

Action: Develop Isolated Worker Management Procedure

Comment: Isolated workers beacons installed; development of procedure delayed

IT and Communication Systems

Action: Document IT Infrastructure Replacement Program

Comment: To be developed prior to June 2022

Misconduct

KPI: Breaches of Code of Conduct

Tolerance: Nil

Result: 4

Safety and Security Practices

KPI: Near misses per quarter

Tolerance: Nil

Result: 4

KPI: Workers' compensation claims per quarter

Tolerance: Nil

Result: 2

Consultation

Rebecca McCall, Chief Executive Officer

Aaron Wooldridge, Manager Corporate & Community Services

Les Vidovich, Manager Works & Assets

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 – 7.1

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 – December 2021, 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 – December 2021.**

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.

8.	Questions from Members

9.	Urgent Business Approved by the Person Presiding or by Decision

10.	Date of the Next Meeting

11.	Closure

SHIRE OF DOWERIN
TIN DOG TERRITORY

MINUTES
Audit & Risk Committee Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
23 September 2021

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SHIRE OF
DOWERIN
TIN DOG TERRITORY

Shire of Dowerin Audit & Risk Committee Meeting 23 September 2021	SHIRE OF **DOWERIN** TIN DOG TERRITORY

1.	**Official Opening**

The Chair welcomed those in attendance and declared the Meeting open at 10.48am.

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

Committee Members:

Cr DP Hudson	President & Chair
Cr BA Ward	Deputy President
Mrs TA Jones	

Staff:

Ms R McCall	Chief Executive Officer
Ms C Delmage	Manager Corporate & Community Services
Ms L Dreghorn	Executive & Governance Officer

Apologies: Cr RI Trepp

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 20 April 2021

Attachment 5.1A

Voting Requirements	
■ Simple Majority	☐ Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward   **Seconded:** Cr Hudson

0474 **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 20 April 2021, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.**

CARRIED 3/0

6.	**PRESENTATIONS**

Nil

7.   OFFICER'S REPORTS

7.1   Interim Audit Results for the Year Ending 30 June 2021

Corporate & Community Services	SHIRE OF DOWERIN TIN DOG TERRITORY

Date:	3 August 2021
Location:	Not applicable
Responsible Officer:	Cherie Delmage, Manager Corporate & Community Services
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	*Local Government Act 1995; Local Government (Audit) Regulations 1996*
Sharepoint Reference:	Organisation/Corporate Management/Reporting
Disclosure of Interest:	Nil
Attachments:	**Attachment 7.1A** – Interim Audit Report

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 2021 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 Thursday 20 to Friday 21 May 2021.

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 thirteen areas which are considered deficient, being:

1. Segregation of Duties over Procurement;
2. Bank Reconciliation;
3. Investment of Surplus Funds;
4. Monthly Sundry Debtor Reconciliation;
5. Credit Note Authorisation Forms;
6. Cancelled Receipts;
7. Purchase Orders Dated After Invoice Dates;
8. Contract Variations;
9. Payroll Masterfile;

10. Employee Termination Payments;

11. IT Security Policy;

12. No Asset Disposal Forms; and

13. Annual Financial Report.

The rating given to the Segregation of Duties over Procurement deficiency is Significant, meaning that there is potentially a significant risk to the organisation should the finding not be addressed 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.

The rating given to the Annual Financial Report deficiency is Minor, meaning that the finding is not of a primary concern but still warrants action being taken.

The rating given to the other eleven 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
Segregation of Duties over Procurement	The Shire should review its current procurement processes by placing independent reviews to ensure appropriate segregation of duties.	The Shire of Dowerin is in the process of reviewing its procurement processes to ensure appropriate segregation of duties takes place to reduce the risk of fraud and error. The draft review is attached to verify action is underway.
Bank Reconciliation	The monthly bank reconciliation should be prepared for both Muni and Muni Max accounts in a timely manner and reviewed by an independent senior officer promptly. The review should be evidenced in writing.	The Shire of Dowerin has identified the issues and is in the process of implementing an effective control to ensure monthly reconciliations are prepared in a timely manner and reviewed appropriately.
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.	The Shire of Dowerin will review its Untied Surplus and Investment Policies along with corresponding procedures to ensure controls are effective and suited to the organisation. The draft procedure Investment procedure is attached to verify action is underway.
Monthly Sundry Debtor Reconciliation	The monthly sundry debtor reconciliations should be reviewed by a senior officer independent of the preparer in a timely manner and any variances should be investigated and rectified without delay.	The monthly financial checklist will be reviewed by the Manager Corporate and Community Services in a timely manner and any variances investigated and rectified without delay. The monthly checklist process is under review which includes the requirement to present the

		completed monthly checklist to the CEO for confirmation of all EOM reconciliations.
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.	Credit Note Authorisation Forms are now in place and utilised. A corresponding procedure will be developed to include the performance of independent reviews.
Cancelled Receipts	We recommend that cancelled receipts be reviewed promptly by an officer independent of the receipting function.	Internal controls will be amended to ensure cancelled receipts are reviewed by an officer independent of the receipting function.
Purchase Orders Dated After Invoice Dates	Purchase orders should be approved for all applicable items prior to ordering.	Staff will be reminded that non-compliance of procurement processes is a breach of the Code of Conduct and CEO directive. Consequences of non-compliance will be communicated to staff.
Contract Variations	We recommend that delegation thresholds be established that specify which staff/positions can approve contract variations, based on value and/or the type of contract.	The Shire of Dowerin is in the process of reviewing its procurement policy.
Payroll Masterfile	Management should review amendments to payroll Masterfile on a periodic basis and ensure all amendments are genuine and correct.	With the implementation of Altus Payroll there is a need to amend the process to ensure payroll Masterfile is reviewed on a regular basis. The payroll system now has the capacity to provide this data as per comment below received from IT Vision. 'This Report has been a part of an enhancement request to Definitiv in regard to additional details of who made the changes.'
Employee Termination Payments	Employee termination payment calculations should be reviewed and approved by an independent senior officer prior to processing the payment and the review and approval should be evidenced in writing.	Workings are prepared by the Manager Corporate & Community Services along with the payroll officer prior to processing of the pay run. All workings are included in applicable pay-run documentation and signed off. The internal control will be amended to include the calculations to be reviewed by an independent officer.

IT Security Policy	Management should develop a formal IT Security Policy and it should be reviewed and updated regularly as changes occur.	The Shire of Dowerin has commenced the process of developing an IT Security Policy. Policies are reviewed every two years in accordance with the organisation's Risk Management Framework.
No Asset Disposal Forms	Management should introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should also be subject to appropriate authorisation.	An Asset Disposal/Deletion Form is now in place to verify and authorise the asset disposal/deletion process.
Annual Financial Report	Management should submit a copy of the Annual Financial Report to the Department within 30 days of the receipt of the Auditor's Report on the Financial Report as required by the Regulations.	The lodgment of the Annual Financial Report within 30 days of the receipt of the Auditor's Report on the Financial Report is captured in the organisation's Corporate Calendar and Risk Dashboard. Management notes the human error of submitting the unsigned copy of the Auditor's Report.

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

Cherie Delmage, Manager Corporate & Community Services

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

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

	Financial Implications

Nil

	Voting Requirements

■ Simple Majority ☐ Absolute Majority

Officer's Recommendation/Resolution

Moved: Ms TS Jones   **Seconded:** Cr Ward

0475   **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 7.1A, from Macri Partners Chartered Accountants for the 2020/21 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 7.1A, from Macri Partners Chartered Accountants for the 2020/21 Interim Audit.**

CARRIED 3/0

| 7.2 | Risk Dashboard Quarterly Report – June & September 2021 |

| Governance & Compliance | SHIRE OF **DOWERIN** TIN DOG TERRITORY |

Date:	July 2021
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, CEO
Author:	As Above
Legislation:	*Local Government Act 1995*
Sharepoint Reference:	Compliance/Risk Management/Reporting
Disclosure of Interest:	Nil
Attachments:	**Attachment 7.2A** - Risk Dashboard Quarterly Report – June 2021
	Attachment 7.2B - Risk Dashboard Quarterly Report – September 2021

| | **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: Implement New Fuel Stock Control System

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

Action: Review of Asset Management Plan

Comment: Asset Infrastructure Management engaged to review AMP

Business Disruption

Action: Development of IT Disaster Recovery Plan

Comment: Scheduled to complete by December 2021

Compliance

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

Comment: Asset Infrastructure Management engaged to review AMP

Comment: ACCWEST engaged to review LTFP

Employment Practices

Action: Review of Staff Induction process

Comment: Completion of the Review has been deferred to September 2021 to introduce a new online induction developed in consultation with LG Professionals WA and the local government sector

Action: Develop Health & Wellbeing Plan

Comment: Complete deferred to October 2021 due to operational priorities

Engagement Practices

Action: Develop a Community & Engagement Policy & Framework

Comment: Draft policy and framework presented to Council in September 2021 for comment

Errors, Omissions & Delays

Action: Review Employee Code of Conduct

Comment: Review underway

Safety and Security Practices

Action: Develop Isolated Worker Management Procedure

Comment: Isolated workers beacons installed; development of procedure delayed

The following results of key performance indicators are noted:

Safety and Security Practices

KPI: Safety Audit Result

Tolerance: 95%

Result: 74%

Consultation

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate & Community Services

Les Vidovich, Manager Works & Assets

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 Ward   **Seconded:** Ms TA Jones

0476 **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 2021, as presented in Attachment 7.2A, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin;**
2. **Receives the quarterly Risk Dashboard Quarterly Report – September 2021, as presented in Attachment 7.2B, on the progress of actions to identify risks and track treatments to manage risks at the Shire of Dowerin; and**
3. **Recommends to Council that it adopts the quarterly Risk Dashboard Quarterly Report – June and September 2021.**

CARRIED 3/0

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.

7.3	Policy Manual Review – Policy 3.11 – Purchasing Policy and Purchasing Procedure

Governance & Compliance	SHIRE OF DOWERIN TIN DOG TERRITORY

Date:	15 September 2021
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Linley Dreghorn, Executive & Governance Officer
Legislation:	*Local Government Act 1995*
Sharepoint Reference:	Organisation/Governance/Council Policies Organisation/Financial Management/Controlled Documents/ Procedures
Disclosure of Interest:	Nil
Attachments:	**Attachment 7.3A** – Policy 3.11 – Purchasing Policy **Attachment 7.3B** – Purchasing Procedure

	Purpose of Report

☐ Executive Decision   ■ Legislative Requirement

Summary

This Item presents a review of Policy 3.11 – Purchasing Policy 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 Thursday 20 to Friday 21 May 2021.

The Report identifies three areas associated with procurement which are considered deficient, being:

Finding	Recommendation	Management Comment
Segregation of Duties over Procurement	The Shire should review its current procurement processes by placing independent reviews to ensure appropriate segregation of duties.	The Shire of Dowerin is in the process of reviewing its procurement processes to ensure appropriate segregation of duties takes place to reduce the risk of fraud and error. The draft review is attached to verify action is underway.
Purchase Orders Dated After Invoice Dates	Purchase orders should be approved for all applicable items prior to ordering.	Staff will be reminded that non-compliance of procurement processes is a breach of the Code of Conduct and CEO directive. Consequences of non-

		compliance will be communicated to staff.
Contract Variations	We recommend that delegation thresholds be established that specify which staff/positions can approve contract variations, based on value and/or the type of contract.	The Shire of Dowerin is in the process of reviewing its procurement policy.

The rating given to the Segregation of Duties over Procurement deficiency is Significant, meaning that there is potentially a significant risk to the organisation should the finding not be addressed 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.

Comment

A comprehensive review of the Purchasing Policy has taken place to address the findings and associated recommendation.

While it is an internal, administrative process, the procedure for generating purchase orders and processing and authorising invoices for payment has also been comprehensively reviewed. During the review extensive consultation occurred to ensure that the procedure was flexible enough to cater for various 'real life' scenarios but that it contained the necessary segregation to comply with audit and legislative requirements. For the sake of transparency and accountability to both Council and the community it is also included as an Attachment. Being an administrative document and process, Council are not required to resolve on the procedure.

While the proposed policy and subsequent procedure changes will result in an additional administrative burden for staff, it is necessary to ensure that all purchases and approvals are undertaken with the appropriate level of segregation, probity and compliance with audit and legislative requirements.

Consultation

Rebecca McCall, Chief Executive Officer

Cherie Delmage, Manager Corporate and Community

Linley Dreghorn, Executive & Governance Officer

Jasmine Pietrocola, Accounts Finance Officer

Policy Implications

Policy 3.11 – Purchasing Policy and the Policy Manual will be updated accordingly, should Council resolve to adopt the policy.

Statutory Implications

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are 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: 5.2 & 5.3

Reference: 5.2.1 & 5.3.2

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Risk Implications	

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Insignificant (1)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (2)
Key Controls (in place)	Governance Management Framework
Action (Treatment)	Document Governance Framework
Risk Rating (after treatment)	Adequate

Financial Implications	

Nil

Voting Requirements	

■ Simple Majority   ☐ Absolute Majority

Officer's Recommendation/Resolution

Moved: Cr Ward   **Seconded:** Ms TA Jones

0477 **That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit & Risk Committee:**

1. **Receives the reviewed Policy 3.11 Purchasing Policy, as presented in Attachment 7.3A, and**

2. **Recommends to Council that it adopts the reviewed Policy 3.11 Purchasing Policy.**

CARRIED 3/0

8.	Questions from Members

9.	Urgent Business Approved by the Person Presiding or by Decision

10.	Date of the Next Meeting

Dec 2021

11.	Closure

The Chair thanked those in attendance and declared the Meeting closed at 11.28 am

Supplier / Contract Management   Dec-21

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:
• Concentration issues (contracts awarded to one supplier)
• Vendor sustainability

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

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	*Adequate*
Financal Management Framework	Preventative	Progessing	*Adequate*
Access to Independent Advice (WALGA/Lawyers) & Peer Review	Preventative	Ongoing	*Adequate*
		Overall Control Ratings:	*Adequate*

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

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

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			Progressing; implementation of Procurement & COA finalised; Payroll gone live
Ongoing			Investigating

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

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

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	*Moderate (3)*
	Likelihood:	*Possible (3)*
Service Interruption / Financial		
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Oct 2021
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Asset Management Practices

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	Dec-19	MWA
Update RAMM Annually	Jun-21	MWA
Link Building Maintenance Schedule to AMP	Apr-21	MWA; MCCS
Review Asset Management Plan	Apr-21	SMT
Develop Revaluation Schedule for Asset Classes	Jun-21	MWA; MCCS
Review LTFP and Link to AMP	Feb-21	MCCS / MWA / CEO
Review Fuel Stock Control System	Apr-21	MCCS; MWA; CEO
Implement New Fuel Stock Control System	Feb-21	MWA / MCCS

Business Disruption

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	TBD	CEO
Review Business Continuity Plan	Mar 21	CEO
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO; MCCS
Develop IT Disaster Recovery Plan	Jun 21	MCCS
Fire Breaks Inspected and Enforced Annually	Nov 21	MCCS
Fire Fighting Equipment Maintained and Serviced Annually	Mar-Apr 21	MWA
Wardens (Internal) - Training of New Wardens	Jun 21	SMT
Admin Generator Maintained and Serviced	Monthly	MWA
Review Managing Emergencies in Shire Facilities	Dec 21	CEO; MCCS

Failure to fulfil Compliance Requirements

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-21	CEO; EGO
Continue Implementation of Training Program for Councillors and Staff	Ongoing	SMT; EGO
Review Councillor Induction Manual - Every 2 Years	Aug-21	EGO
Review Human Resource Management Framework	Feb-21	CEO; MCCS
Review Information Management System	Feb-21	MCCS
Interim Audit Finding 30 June 2020 - Code of Conduct - Review		EGO
Interim Audit Finding 30 June 2020 - Purchasing & Payment Procedures	Sep-20	CEO; MCCS
Interim Audit Finding 30 June 2020; Debtor & Credit Request Forms	Sep-20	MCCS
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Dec-21	MCCS; MWA

Document Management Processes

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	Jun-20	MCCS
Refurbishment of Archive Room to Improve Compliance	Jun-21	MWA
Review Sharepoint System	Jun-21	CEO
Review Information Management Framework	Dec-21	CDO
Information Management Staff Training	Ongoing	MCCS
Review Record Keeping Plan	Jun-21	MCCS

Employment Practices

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	Dec-19	SMT
Review Workforce Plan	Apr-20	SMT
Create Checklist for Human Resource Management Framework	Jun-20	SMT
Update Training Register & Develop 2021/2022 Training Program	Apr-21	CEO; MCCS
Review Staff Induction Process	Mar-20	MCCS
Conduct Annual Drivers License Checks	Annually in Feb	MCCS
Conduct Annual Performance Reviews	Annually in Feb	SMT

Engagement Practices

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	Jun-21	CEO / MCCS
Develop a Community Engagement Policy & Framework	Mar-21	SMT / CDO
Conduct Community Satisfaction Survey	Jun-20	CEO / CDO
Develop Process For Customer Response Requests (Snap, Send, Solve)	Mar-20	MCCS
Review Customer Service Charter (every two years)	Jun-20	MCCS
Review Customer Service Charter (every two years)	Sep-22	EGO
Develop Complaint Register (in accordance to Act)	Jun-20	MCCS

Environment Management

Risk	Control
Moderate	Adequate

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

Actions	Due Date	Responsibility
Develop Waste Water Management Plan & Program	Dec-20	MWA
Develop Waste Management Plan & Program	Dec-21	MWA
Complete Audit of Sewage System	Completed	MWA
Address Compliance of Waste Management	Ongoing	MWA
Address Compliance of Waste Water Re-Use	Jun-21	MWA

Errors, Omissions & Delays

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-21	CEO / EGO
Review and Document Organisations Controls and Systems	Ongoing	CEO / MCCS
Centralise Checklists, Controls and Procedures	Jun-21	CEO / MCCS
Review Customer Service Complaints & Request Process to include Snap Send Solve	Jun-21	MCCS

External Theft & Fraud (Including Cyber)

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	Dec-21	CEO; MCCS
Photographic Record of Minor Assets & Align With Minor Assets Register	Jun-21	MCCS
Implement Quarterly Schedule For Changing Passwords	Ongoing	MCCS
Review Security and Storage of Records	Aug-21	MCCS
Document Financial Management System	Oct-21	MCCS

Management of Facilities / Venues / Events

Risk	Control
Low	Adequate

Failure to effectively manage the day to day operations of facilities, venues and / or events.

IT or Communication Systems and Infrastructure

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.

Misconduct

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.

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Risk Dashboard Report - December 2021

Actions	Due Date	Responsibility
Develop Event Mangement Framework	Dec-21	CDO
Develop Reserves Management Register	Dec-21	MCCS / MWA
Create Inspection and Maintenance Schedules for Event Equipment	Jun-21	CDO
Undertake Community Facilities Review	Apr-21	CEO / CDO
Public Buildings Inspected Annually for Compliance	Nov-21	MWA

Actions	Due Date	Responsibility
Develop IT Disaster Recovery Plan	Jun-21	MCCS
Review IT Management Service Level Agreement	Jun-21	MCCS
Document IT Infrastructure Replacement Program	Jun-21	MCCS
Develop Secure Password Procedure	Jun-21	MCCS
Develop Secure Password Procedure	Jun-20	MCCS
Replacemrent of Phone System	Sep-21	MCCS
Document IT System Access Framework	Jun-21	MCCS

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

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-21	MCCS
Develop Communication and Engagement Framework	Mar-21	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	Dec-21	MWA / TWC
Complete Staff Training Register	Jun-21	SMT
Conduct Quarterly Workplace Inspections	Quarterly	MWA / TWC
Safe Work Method Statements (SWMS) Library	Ongoing	MWA / TWC
Assess Shire Building and Facility Safety and Security	Dec-21	MWA / TWC
Develop Isolated Worker Management Procedure	Jun-21	MWA / TWC
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	MWA / TWC
Review Managing Emergencies In Shire Facilities	Dec-21	CEO
Conduct Annual BCP and LEMC Drills	Dec-21	CEO
Review Contractor Inductions and Register	Dec-21	MWA / TWC

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; MCCS
Develop Standardised Contracts	Ongoing	CEO; MCCS
Document Financial Controls	Ongoing	MCCS
Develop Appropriate Financial Reporting Tools	Ongoing	MCCS
Develop Centralised Contract Management System	Ongoing	CEO; MCCS

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	*Inadequate*
Plant Replacement Program	Preventative	Jun-21	*Adequate*
Sewerage Maintenance Plan & Program	Preventative	Oct-19	*Inadequate*
Stock Control Systems (Fuel)	Preventative	May-20	*Inadequate*
		Overall Control Ratings:	*Adequate*

Control Assurance

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

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Revaluation of Road Assets	Dec-19	MWA	Completed			Completed 2020; next due within 5 years
Revaluation of Sewerage System	Dec-22	MWA	Dec-22	Apr-22		Contractor appointed; timeline extended due to increased scope of works
Update RAMM Annually	Jun-21	MWA	Jun-21	Sep-21	Feb-22	Condition data & 21/22 works program to be entered September 2021
Link Building Maintenance Schedule to AMP	Apr-21	MWA; MCCS	Dec-20	Apr-21	Jun-22	Postponing until review of AMP is completed
Review Asset Management Plan	Apr-21	SMT	Mar-20	Dec-20	Feb-22	Consultant engaged to review AMP; Due for completion December 2021
Develop Revaluation Schedule for Asset Classes	Jun-21	MWA; MCCS	Jun-21	Dec-21	Mar-22	Review along with budget timetable
Review LTFP and Link to AMP	Apr-21	MCCS; MWA; CEO	Jun-20	Feb-21	Apr-22	Consultant engaged to review AMP; Due for completion Feburary 2022
Review Fuel Stock Control System	May-20	MWA; MCCS	Completed			Review identified control deficiencies
Implement New Fuel Stock Control System	Feb-21	MWA	Nov-20	Feb-21	Aug-21	Partially completed; Pods will be installed once receive new fleet

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Asset Renewal Funding Ratio	95%-105%	*135%*	*Worsening*	*135%*	*Unable to Rate*		Rate annually in December; Unable to rate until EoY Financials finalised
Asset Consumption Ratio	60%-75%	*95%*	*Improving*	*95%*	*Unable to Rate*		Rate annually in December; Unable to rate until EoY Financials finalised
Asset Sustainability Ratio	90%-110%	*143%*	*Improving*	*143%*	*Unable to Rate*		Rate annually in December; Unable to rate until EoY Financials finalised
AMP & LTFP	Reviewed Annually	*Not Completed*	*Worsening*	*Not Completed*	*Not Completed*		Revised due date February 2022
Accidents and / or Damage to Property	<2 Per Quarter	*4*	*Improving*	*8*	*4*		Result December 2020 - 8; Rate annually in December

Residual Risk Rating

Consequence Category	Risk Ratings		Rating
		Consequence:	Moderate (3)
Financial		Likelihood:	Possible (3)
		Overall Risk Ratings:	Moderate

Additional / Final Comments

Reviewed by Management Team - Dec 2021
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies

Business & Community Disruption   Dec 21

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".

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

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

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Local Emergency Management Arrangements (LEMA)	Preventative	Oct 19	*Adequate*	CEO	Yes	Yes	Yes	Yes		Fraud not relevant
Business Continuity Plan	Preventative	Mar 21	*Adequate*	CEO	Yes	Yes	Yes	Yes		Fraud not relevant
Manaing Emergenceis in Shire Facilities	Preventative	Dec 16	*Adequate*	CEO	Yes	Yes	Yes	Yes		Fraud not relevant
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Annual LEM Exercise Undertaken	TBD	CEO	Apr-20	TBD		Deferred due to COVID19; Waiting for DFES availabilty
Review Business Continuity Plan	Mar 21	CEO	Feb-21	Completed		BCP activated March 2020 in response to COVID19; Next review day Mar 23
Business Continuity Plan Drill to be Undertaken Annually	Dec 22	CEO; MCCS	Oct-19	Completed		COVID-19 response treated as BCP exercise; Next due April 2022
Develop IT Disaster Recovery Plan	Jun 21	MCCS	Dec-20	Jun-21	Dec-21	Deferred until new MCCS can review IT system & controls
Fire Breaks Inspected and Enforced Annually	Nov 21	MCCS	Completed			Inspected November 2021
Fire Fighting Equipment Maintained and Serviced Annually	Mar-Apr 21	MWA	N/A			Inspections completed; Next inspection March 2022
Wardens (Internal) - Training of New Wardens	Jun 21	SMT	Oct-19	Jun-20	Dec-20	Training completed; Warden identifying tools and equipment to be orderd
Admin Generator Maintained and Serviced	Monthly	MWA	Monthly	NA	NA	Inspection completed; need to implement monthly monitoring system
Review Managing Emergencies in Shire Facilities	Dec 21	CEO; MCCS	Jun-20	Dec-21	Jun-22	Review yet to take place

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Missed LEMC Committee Meetings	1 per annum	1	Worsening	*1*	*1*		June, August & October meeting deferred due to not having a quorum
Number of Firebreak Infringements Issued	5 per annum	2	Improving	*2*	*Unable to Rate*		5 Infringements issued in 2019; 2 Infringements in 2020; Compliance date set 8 Dec.
LEM Annual Exercise Undertaken	1 per annum	Nil	Worsening	*Nil*	*Nil*		Scheduled for October 2020, DFES unable to conduct due to COVID-19
BCP Annual Excerise Undertaken	1 per annum	1	Worsening	*1*	*Nil*		COVID-19 response treated as BCP exercise

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	*Moderate (3)*
Service Interruption; Reputation; Financial	**Likelihood:**	*Possible (3)*
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

Failure to fulfil Compliance Requirements (Statutory and Regulatory)

Dec 21

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).

Objective:
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

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

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Governance Management Framework	Preventative	Ongoing	**Adequate**	CEO	Yes	Yes	Yes	Yes	No	
Information Manangement System	Preventative	Unknown	**Adequate**	CEO; MCCS	Partial	Partial	Partial	Partial	No	
Human Resource Management Framework	Preventative	Ongoing	**Adequate**	CEO; MCCS	Partial	Partial	Partial	Partial	No	
Access to Accurate & Current Legisation & Regulations	Preventative	Jun-20	**Adequate**	EGO	No	No	Yes	Yes	No	Documentation not required
Governance Calendar	Preventative	Ongoing	**Adequate**	EGO	Yes	Yes	Yes	Yes	No	
Council & Staff Inductions	Preventative	Feb-20	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	No	
		Overall Control Ratings:	**Adequate**							

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Document Governance Framework	Dec-21	CEO; EGO	Dec-19	Jun-20	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Continue Implementation of Training Program for Councillors and Staff	Ongoing	SMT; EGO	Ongoing			Progressing
Review Councillor Induction Manual - Every 2 Years	Aug-21	EGO	Completed			Completed September 2021; Next review due September 2023
Review Human Resource Management Framework	Feb-21	CEO; MCCS	Ongoing	Feb-21	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Review Information Management System	Feb-21	MCCS	Dec-20	Feb-21	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Interim Audit Finding 30 June 2020 - Code of Conduct - Review		EGO	Completed			Model standards are released, currently reviewing
Interim Audit Finding 30 June 2020 - Purchasing & Payment Procedures	Sep-20	CEO; MCCS	Completed			Implementation of Altus Procurement Module; 3 September 2020; Reviewed & processes & procedures updated
Interim Audit Finding 30 June 2020; Debtor & Credit Request Forms	Sep-20	MCCS	Completed			Templates & procedures modified & actioned
Interim Audit Finding 30 June 2020 - Review of AMP & LTFP	Dec-21	MCCS; MWA	Dec-20	Apr-21	Sep-21	Consultants engaged; AMP due December 2021 / LTFP due February 2022

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Financial and Performance Audit Qualifications	Unqualified Audit	Unqualified Audit	Improving	Unqualified Audit	Unable to Rate		Rated annually in December; EoY Financials 20/21 yet to be finalised
Compliance Audit Return	As per legislated	Compliant	Improving	Compliant	Compliant		Completed March 2021; Rated annually in March
Finanical Management System Review (Every 3 Years)	As per legislated	Compliant	Improving	Not Rated	Not Rated		Last reviewed September 2019; Due September 2022
CEO Regulation 17 Review (Every 3 Years)	As per legislated	Compliant	Improving	Compliant	Not Rated		Last reviewed September 2019; Due September 2022
Freedom of Information Statistical Return	As per legislated	Compliant	Improving	Compliant	Compliant		Submitted July 2021; Rated annually in July
Annual Waste & Recycling Data Reporting	As per legislated	Compliant	Improving	Compliant	Compliant		Submitted October 2021; Rated annually in October
Regulation 53 of Building Regulations 2021 (Pool Inspections)	As per legislated	Compliant	Worsening	Not Rated	Non-Compliant		Due December 2021; Every 3 years; Unable to inspect due to no EHO in place
Food Act 2008 & Public Health Act 2016 Reporting	As per legislated	Compliant	Improving	Compliant	Compliant		Rated annually in August; Next due August 2022

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	Moderate (3)
Compliance / Reputation / Financial	Likelihood:	Possible (3)
	Overall Risk Ratings:	**Moderate**

Additional / Final Comments

Reviewd by Management Team - Dec 2021

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

Document Management Processes — Dec 21

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

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

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 / Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Information Management Framework	Preventative	Dec-20	*Adequate*	CEO	Partial	Partial	Partial	Partial	No	
Governance Management Framework	Preventative	Ongoing	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Recordkeeping Plan	Preventative	Mar-19	*Adequate*	CEO	Yes	Yes	Partial	Yes	No	
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Investigate Upgrades Required to Archive Room to Improve Compliance With SRO	Jun-20	MCCS	Completed			
Refurbishment of Archive Room to Improve Compliance	Jun-21	MWA	Completed			
Review Sharepoint System	Jun-21	CEO	Jun-21	Dec-21	Apr-22	Allocation required in 2021/22 budget; New MCCS to review
Review Information Management Framework	Dec-21	CDO	Jun-20	Jun-21	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Information Management Staff Training	Ongoing	MCCS	Ongoing			Form part of Induction Process
Review Record Keeping Plan	Jun-21	MCCS	Jun-21	Dec-21	Jun-22	Second extension request approved; Revised due date June 22

Key Performance Indicators / KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Information Management Framework	Reviewed Annually	Not Rated	Constant	*Not Rated*	*Not Rated*		Rate annually in December
Archives	As legislated	Compliant	Constant	*Compliant*	*Compliant*		Recorded & destroyed as per R&D Schedule; Rate annually in December
Record Keeping Plan Completed	As legislated	Not Rated	Worsening	*Not Rated*	*Non Compliant*		Compliant & Current RKP by due date

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	*Moderate (3)*
Compliance / Reputation	*Likelihood:*	*Possible (3)*
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

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

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

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*
		Overall Control Ratings:	*Adequate*

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	

Actions (Treatments)	Due Date	Responsibility
Develop a Health and Wellbeing Program	Dec-19	SMT
Review Workforce Plan	Apr-20	SMT
Create Checklist for Human Resource Management Framework	Jun-20	SMT
Update Training Register & Develop 2021/2022 Training Program	Apr-21	CEO; MCCS
Review Staff Induction Process	Mar-20	MCCS
Conduct Annual Drivers License Checks	Annually in Feb	MCCS
Conduct Annual Performance Reviews	Annually in Feb	SMT

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Dec-19	Jun-20	Jun-21	Program not in place, no budget allocation; Defer to March 22 for July 22 Implementation
Apr-20	Mar-21	Apr-21	Unable to completed until AMP & LTFP reviews undertaken
Jun-20	Jun-21	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Apr-21	Sep-20	Apr-21	Progressing
Mar-20	Sep-20	Jun-21	Progressing; Extended completion to January 22 to provide new MCCS time to review
Yearly in Feb	Mar-21		Conducting check during performance review process in February 22
Apr-20	Mar-21		New MCCS to conduct review of process

Key Performance Indicators	Tolerance	Latest Result	Trend
Training Program (% Completed)	90% per annum	Not rated	
Absenteeism (% of Personal)	<10 days per FTE	Not rated	
Absenteeism (% Unpaid Leave)	<0 days per FTE	Not rated	
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

KPI / Action Data

2020	2021	2022	Comments
	Not Rated		Rate annually in September commencing in 2021; Control not in place to rate indicator
	Not Rated		Rate annually in September commencing in 2021; Control not in place to rate indicator
	Not Rated		Rate annually in September commencing in 2021; Control not in place to rate indicator
	Not Rated		Rate annually in September commencing in 2021; Control not in place to rate indicator
100%	*100%*		Rate annually in June
100%	*100%*		Rate annually in June
2	*4*		Rate annually in June; 2020 cases (x2) closed in 2020/2021; 2 current cases

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	*Moderate (3)*
	Likelihood:	*Possible (3)*
Compliance / Health / Reputational / Financial		
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

Notes:

Australian Public Service Commission

.id informed decisions

CEMI (UWA)

National turnover 8.5%

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.

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

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		*Not Rated*
Communication & Engagement Policy	Preventative		*Adequate*
Complaint Handling Process	Preventative	Jun-20	*Adequate*
Community Satisfaction Survey	Detective	Oct-20	*Adequate*
Customer Service Charter	Preventative	Sep-20	*Adequate*
		Overall Control Ratings:	*Adequate*

Control Assurance

	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Community & Engagement Framework	CEO; CDO	Partial	Partial	Yes	No		Fraud not relevant
Communication & Engagement Policy	CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
Complaint Handling Process	CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
Community Satisfaction Survey	CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant
Customer Service Charter	CEO; CDO	Yes	Yes	Yes	Yes		Fraud not relevant

Actions (Treatments)	Due Date	Responsibility
Review Community Complaints, Feedback & Request Handling Process	Jun-21	CEO / MCCS
Develop a Community Engagement Policy & Framework	Mar-21	SMT / CDO
Conduct Community Satisfaction Survey	Jun-20	CEO / CDO
Develop Process For Customer Response Requests (Snap, Send, Solve)	Mar-20	MCCS
Review Customer Service Charter (every two years)	Sep-22	EGO
Develop Complaint Register (in accordance to Act)	Jun-20	MCCS

Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Sep-19	Jun-20	Jun-21	Second review required to streamline processes; Revised due date April 22
Oct-19	Jun-20	Oct-20	Completed; Due to review in June 22
Completed			Completed in October 2020; Next due September 22
Completed			Conduct second review and align with complaints handling process
Completed			Completed September 2020; Next due Septemebr 22
Completed			Register developed & on Shire website

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

KPI / Action Data

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

Residual Risk Rating

Consequence Category	Risk Ratings	Rating
	Consequence:	*Minor (2)*
Reputation	*Likelihood:*	*Likely (4)*
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

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 (landfll / 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)

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Road Engineering & Subdivision Policy (4.4)	Preventative	May-19	*Adequate*	MWA	Yes	Yes	Yes	Yes	No	
Waste Water Management Plan & Program	Preventative		*Not Rated*	MWA	No	No	No	No	No	
Contaminated Sites Register	Preventative	Nov-19	*Adequate*	MWA	Yes	Yes	Yes	Yes	No	
Waste Management Plan & Program	Preventative		*Not Rated*	MWA	No	No	No	No	No	
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Develop Waste Water Management Plan & Program	Dec-20	MWA	Dec-20	Jun-22		Not yet commenced
Develop Waste Management Plan & Program	Dec-21	MWA	Dec-20	Jun-21	Dec-21	Not yet commenced; Revised due date June 22
Complete Audit of Sewage System	Completed	MWA	Completed			
Address Compliance of Waste Management	Ongoing	MWA	Ongoing			MWA to determine & identify any gaps
Address Compliance of Waste Water Re-Use	Jun-21	MWA	Jun-21			Contracted EHO progressing license renewal

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Annual Waste & Recycling Data Reporting	As per legislated	Completed	Constant	*Submitted*	*Submitted*		Completed as per statutory requirements; Next due October 2022
Satisactory Water Sampling For Water Re-Use	100%	Completed	Constant	*100%*	*100%*		Water sampling conducted monthly during irrigation season
Asbestos Register	As per legislated	Maintained	Constant	*Maintained*	*Not Maintained*		Last reviewed December 2020; Review annaully in December
Contaminated Site Register	As per legislated	Maintained	Constant	*Maintained*	*Maintained*		Maintained

Residual Risk Rating

Consequence Category	*Risk Ratings*	*Rating*
	Consequence:	*Moderate (3)*
Environment / Reputation / Financial	Likelihood:	*Possible (3)*
	Overall Risk Ratings:	*Moderate*

Additional / Final Comments

Reviewed by Management Team - Dec 2021

Errors, Omissions & Delays — Dec 21

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	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
									Control Assurance	
Checklists and Documented Procedures	Preventative	Nov-19	*Inadequate*	CEO; MCCS	Partial	Partial	Partial	Partial	No	
Complaints Register	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Complaints Process	Recovery	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Councillor Information Bulletin	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Customer Service Charter	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Delegations & Register	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	Partial	
Electronic Records - Sharepoint	Recovery	Nov-19	*Adequate*	All Staff	Yes	Yes	Yes	Yes	No	
External Communications (website, news articles)	Preventative	Nov-19	*Adequate*	CEO; CDO	Yes	Yes	Yes	Yes	No	
External Consultants (ie. legal)	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	Partial	
Customer Service Request Procedure	Preventative	Nov-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
File Note/Documentation	Preventative	Nov-19	*Adequate*	SMT	Yes	Yes	Yes	Yes	No	
Internal Communications (staff newsletter, regular meetings)	Preventative	Nov-19	*Adequate*	CEO; CDO	Yes	Yes	Yes	Yes	No	
Performance Reviews	Preventative	Nov-19	*Adequate*	SMT	Yes	Yes	Yes	Yes	No	
Qualified Building, Health & Planning Officers	Preventative	Nov-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	Partial	
Segregation of Duties (financial control)	Preventative	Nov-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Staff Inductions	Preventative	Nov-19	*Adequate*	SMT	Yes	Yes	Yes	Yes	Partial	
Staff Training (formal & on-the-job)	Preventative	Nov-19	*Effective*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Council Motions Register	Preventative	Nov-19	*Adequate*	EGO	Yes	Yes	Yes	Yes	No	

Workforce Plan		Preventative	Nov-19	*Adequate*		CEO; MCCS	Yes	Yes	Yes	Yes	No	
		Overall Control Ratings:		*Adequate*								

Actions (Treatments)	Due Date	Responsibility		Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Review Employee Code of Conduct	Jul-21	CEO / EGO		Jul-21	Dec-21	Jan-22	Presented to Council July 2020; Next review extended to January 22
Review and Document Organisations Controls and Systems	Ongoing	CEO / MCCS		Ongoing			Progressing; Altus Payroll & Procurement Module implemented
Centralise Checklists, Controls and Procedures	Jun-21	CEO / MCCS		Dec-20	Jun-21	Dec-21	Progressing; Extended completion to June 22 to provide new MCCS time to review
Review Customer Service Complaints & Request Process to include Snap Send Solve	Jun-21	MCCS		Completed			Second review required to streamline processess

KPI / Action Data				
Key Performance Indicators / **Tolerance** / **Latest Result** / **Trend**	**2020**	**2021**	**2022**	**Comments**

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Legal Claims	0	0	Constant	*0*	*0*		Rate annually in June
Number of Complaints Regarding Errors, Omissions or Delays (minor)	0	0	Constant	*0*	*0*		Rate annually in June
Number of Complaints Regarding Errors, Omissions or Delays (major)	0	0	Constant	*0*	*0*		Rate annually in June
Referral to SAT/Ombudsman/Public Sector Commission	0	0	Constant	*0*	*0*		Rate annually in June
Number of Complaints to Local Government Standards Panel	0	0	Constant	*0*	*0*		Rate annually in June
External Audit Qualification	Unqualified Audits	Unqualified Audit	Constant	*Unqualified Audit*	*Unable to Rate*		Rate annually in December; EoY Financials not yet finalised
Staff Training Target Met	90%	Not Rated	Constant	*Not Rated*	*Unable to Rate*		Rate annually in June; Control to be identified to rate indicator

Residual Risk Rating				Additional / Final Comments
Consequence Category	*Risk Ratings*		*Rating*	Reviewed by Management Team - Dec 2021
		Consequence:	*Moderate (3)*	Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.
Reputation / Compliance		*Likelihood:*	*Possible (3)*	
		Overall Risk Ratings:	*Moderate*	

External Theft & Fraud (Including Cyber)　　　Dec 21

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

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

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	

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Building Security Access Controls (Keys and Keypad Access)	Preventative	Unknown	*Adequate*	CEO	Partial	Partial	Partial	No	Partial	
Equipment Storage and Access Controls	Preventative	Unknown	*Adequate*	CEO	Partial	Partial	Partial	No	Partial	
IT Security Framework (Passwords and Security Protocols)	Preventative	Sep-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Financial Management System	Preventative	Sep-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Review Access Controls to Include Key Register	Dec-21	CEO; MCCS	Dec-19	Jun-20	Dec-21	Progress stalled
Photographic Record of Minor Assets & Align With Minor Assets Register	Jun-21	MCCS	Jun-20			Commenced
Implement Quarterly Schedule For Changing Passwords	Ongoing	MCCS	Ongoing			Secure password policy in place; reset passwords every 90 days
Review Security and Storage of Records	Aug-21	MCCS	Aug-21	Dec-21		Next review August 2021
Document Financial Management System	Oct-21	MCCS	Ongoing			Progressing; anticipate completion October 2021

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Number of Cyber Breaches	0	0	Constant	*0*	*0*		Rate annually in June
Number of Incidents of Theft or Fraud	0	0	Constant	*0*	*0*		Rate annually in June
Passwords Changed Quarterly	100%	100%	Constant	*100%*	*100%*		Rate annually in June

Residual Risk Rating

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

Additional / Final Comments

Reviewed by Management Team - Sept 2021

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

Management of Facilities / Venues / Events — Dec 21

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)

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Event Management Framework	Preventative	May-19	**Adequate**	CEO	Yes	Partial	Yes	No	No	
Building Maintenance Program	Preventative	May-19	**Adequate**	CEO	Yes	Yes	Yes	Yes	No	
Facility / Venue Booking System	Preventative	May-19	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Reserves Management System	Preventative	May-19	**Not Rated**	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Asset Management Plan	Preventative	May-19	**Adequate**	CEO; MCCS	Yes	Yes	No	No	No	
Statutory Public Building Compliance Program	Preventative	Nov-21	**Adequate**	CEO; MCCS	Partial	Partial	Partial	No	No	
		Overall Control Ratings:	**Adequate**							

Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Develop Event Mangement Framework	Dec-21	CDO	Mar-20	Jun-20	Dec-21	Event Management Plan in place, yet to complete framework; Defer due date to June 22
Develop Reserves Management Register	Dec-21	MCCS / MWA	Dec-20	Dec-21		Completed
Create Inspection and Maintenance Schedules for Event Equipment	Jun-21	CDO	Dec-19	Mar-20	Jun-21	Defer due date to Jun 22
Undertake Community Facilities Review	Apr-21	CEO / CDO	Jun-20	Feb-21	Apr-21	Progressing; Defer due date to March 22
Public Buildings Inspected Annually for Compliance	Nov-21	MWA	Dec-20	Nov-21	Feb-22	Inspections commenced; Develop inspection schedule by Feb 22

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Number of Injuries / Incidents at Events	0	0	Constant	0	0		Rate annually in June
Number of Injuries / Incidents at Facilities	0	0	Constant	0	0		Rate annually in June
Customer Satisfaction Survey - Facilities	<65%	81%		81%	Not Rated		Rated every 2 years; Due Setpember 2022
Compliance of Events and Facilities	>90%	90%	Constant	90%	Not Rated		Rated every 2 years; Due Setpember 2023
Reserves Management Register	Maintained	Not Rated		Not Rated	Maintained		New indicator; Rate in December 2021

Residual Risk Rating

Consequence Category		Risk Ratings	Rating
		Consequence:	*Minor (2)*
Reputation		**Likelihood:**	*Unlikely (2)*
		Overall Risk Ratings:	**Low**

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

IT or Communication Systems and Infrastructure — Dec 21

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".

Objective:
Stability and performance of information technology and communication systems

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

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
IT Infrastructure Replacement Program	Preventative	Jul-20	*Adequate*	CEO	Yes	Yes	Yes	Yes		Fraud not relevant
IT Management Service Level Agreement	Detective	Early 2018	*Adequate*	CEO	Yes	Yes	Yes	Yes		Fraud not relevant
IT Managed Service Agreement Monthly Report	Detective	Monthly	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes		Fraud not relevant
IT Disaster Recovery Plan	Recovery		*Not Rated*	CEO; MCCS	Yes	Yes	Yes	Yes		Due June 2021
IT System Access Framework	Preventative		*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Secure Password Procedure	Preventative		*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Advanced Email Protection	Preventative	Aug-20	*Effective*	MCCS	Yes	Yes	Yes	Yes	Partial	
		Overall Control Ratings:	*Adequate*							

Actions

Actions	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Develop IT Disaster Recovery Plan	Jun-21	MCCS	Dec-20	Jun-21		Action included in IT Management tender scope; date to be identified
Review IT Management Service Level Agreement	Jun-21	MCCS	Oct-19	Mar-20	Nov-21	IT Management Contract in place
Document IT Infrastructure Replacement Program	Jun-21	MCCS	Mar-20	Dec-20	Jun-21	Action included in IT Management tender scope; deferred to June 22
Develop Secure Password Procedure	Jun-20	MCCS	Completed			Procedure implemented
Replacement of Phone System	Sep-21	MCCS	Sep-21	Completed		VOIP system installed
Document IT System Access Framework	Jun-21	MCCS	Mar-21	Jun-21		Action included in IT Management tender scope; date to be identified

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Number of Cyber Breaches	0	0	Constant	*0*	*0*		Rate annually in June
IT Replacement Program	Developed	Not rated	Constant	*Not rated*			Rating based on completion
IT Disaster Recovery Plan	Developed	Not rated	Constant	*Not rated*			Rating based on completion
Advanced Email Protection	Installed	Installed	Constant	*Installed*			System remains in place
IT System Access Framework	Developed	Not rated	Constant	*Not rated*			Rating based on completion
Document Secure Password Procedure	Developed	Not rated	Constant	*Not rated*			Rating based on completi9on
Replacement of Phone System	Installed	Not rated	Constant	*Not rated*	*Completed*		VOIP system installed

Residual Risk Rating

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

Additional / Final Comments

Reviewed by Management Team - Dec 2021

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

Misconduct   Dec 21

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	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Delegations Register	Preventative	May-20	*Adequate*	CEO	Yes	Yes	Yes	Yes	Partial	
Staff Recrutiment Process (includes Police Clearance)	Preventative	Feb-19	*Adequate*	CEO	Yes	Yes	Yes	Yes	Partial	
Staff Inductions	Preventative	Aug-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
External Audits	Preventative	May-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Annual Drivers Licence Checks	Preventative	Feb-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Social Media Policy	Preventative	Apr-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Segregation of Duties (Financial)	Preventative	Jul-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Financial Management Policy	Preventative	May-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Financial Authorisation Policy	Preventative	May-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Delegation Control - Synergy	Preventative	Jul-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Financial Interests Returns Declarations	Preventative	Ongoing	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Primary and Annual Returns Process	Preventative	Aug-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Procurement Delegation Control - Synergy	Preventative	Ongoing	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Petty Cash Policy	Preventative	May-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Corporate Credit Card Policy	Preventative	Apr-21	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Delegated Authority for Procurement	Preventative	May-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Elected Member Training Plan	Preventative	Ongoing	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Audit & Risk Committee Terms of Reference	Preventative	Nov-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
IT Security Access Register (Profiles & Passwords)	Preventative	90 Days	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Purchasing Policy & Procurement Process	Preventative	Jul-20	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	

Control Assurance

Tender Procurement Process	Preventative	Unknown	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Financial Management Systems Review	Preventative	Sep-19	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Regulation 17 Review	Preventative	Dec-19	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Related Parties Discloures Policy	Preventative	Jan-19	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
Council Member Communication & Use of Social Media Policy	Preventative	Introduced	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Code of Conduct	Preventative	Feb-21	**Adequate**	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Overall Control Ratings:			**Adequate**							

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Review and Document Organisations Controls and Systems	Ongoing	CEO / MCCS	Dec-20	Ongoing		Progressing; Altus Procurement system implemented & utilised
Centralise Checklists, Controls and Procedures	Jun-21	CEO / MCCS	Dec-20	Jun-21		Progressing
Review Fuel Stock Control and Process	Apr-21	MCCS / MWA	May-20	Apr-21		Progressing; Unable to finalised until receive fleet replacement
Present Regulation 17 Review to Audit & Risk Committee - Every 3 Years	Dec-22	CEO				Next due December 22
Review Purchasing Policy & Procurement Process	Jul-22	MCCS	Mar-20	Completed		Review completed, presented to A & R Committee July 2020
Review Social Media Policy 3.11	Apr-22	EGO	Oct-19	Completed		Social Media Policy 3.11; reviewed April 2020; introduced Council Member Communication & Use of Social Media Poicy December 2019
Review Code of Conduct	Jul-21	CEO / EGO	Completed			Presented to A & R Committee July 2020
Prepare Credit Card Procedure	Sep-21	MCCS	Sep-21	Mar-22		Credit Card authorisation forms and agreements in place
Conduct Drivers Licence Check Annually	February pa	MCCS/MWA	Completed			Next due February 2022

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
				KPI / Action Data			
Unqualified External Audits (# of Signicifant Findings)	0	Unqualfied	Constant	*Unqualified*	*Unable to Rate*		Rate annually in December; EoY Financials yet to be finalised
Disregarding or Manipulating Procurement Process	Nil	Not rated	Constant	*Not rated*	*Unable to Rate*		Rate annually in December; EoY Financials yet to be finalised
Breaches of Code of Conduct	NIl	0	Constant	*0*	*4*		Rate annually in December
Internal & External Complaints (Minor)	< 1 per quarter	0	Constant	*0*	*0*		Rate annually in December
Internal & External Complaints (Major)	0	0	Constant	*0*	*0*		Rate annually in December
Adherance to Internal Controls	Nil	Not rated	Constant	*Not rated*	*Unable to Rate*		Rate annually in December; Control to rate indicator yet to be identified

Residual Risk Rating			
Consequence Category		**Risk Ratings**	**Rating**
Reputation / Finance		**Consequence:**	*Moderate (3)*
		Likelihood:	*Possible (3)*
		Overall Risk Ratings:	**Moderate**

Additional / Final Comments
Reviewed by Management Team - Oct 2021
Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.

Project / Change Management   Dec 21

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"

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

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)	

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Project Management Methodology and Framework	Preventative		*Not Rated*	CEO	No	No	No	No	Partial	
Communication and Engagement Framework	Preventative		*Not Rated*	CEO	Partial	Partial	Partial	No	No	
Risk Management Framework	Detective	Oct-19	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Finanical Management Framework	Preventative	Mar-17	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	Partial	
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Develop Project Management Methodology and Framework	Dec-21	MCCS	Oct-19	Dec-20	Dec-21	Not yet commenced
Develop Communication and Engagement Framework	Mar-21	CEO / CDO	Oct-19	Jun-20	Oct-20	Completed

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Minimisation of Project Variations	<90%	Not rated		*Not rated*	*Unable to Rate*		Rate annually in December; Controls to rate indicator to be identified
Achievement of Project Deadlines / Milestones	<90%	Not rated		*Not rated*	*Unable to Rate*		Rate annually in December; Controls to rate indicator to be identified
Community Engagement Framework	Completed	Not rated		*Not rated*	*Completed*		Rate upon completion

Residual Risk Rating

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

Additional / Final Comments

Reviewed by Management Team - Oct 2021

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

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

Control Assurance

Key Controls	Type	Last Reviewed	Rating	Control Owner	Control Documented	Completed	Accuracy	Timeliness	Fraud	Comments
Building Security Access Controls (Keys & Keypad Access)	Preventative	Sep-19	*Adequate*	CEO	Yes	Yes	No	No	Partial	
OSH Management Framework	Preventative	May-17	*Adequate*	CEO	Yes	Yes	Yes	Yes	No	
Human Resource Manangement Framework	Preventative	May-19	*Adequate*	CEO; MCCS	Partial	Partial	Partial	Partial	No	
Governance Management Framework	Preventative	Ongoing	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
Managing Emergencies In Shire Facilities	Preventative	Dec-16	*Adequate*	CEO; MCCS	Yes	Yes	Yes	Yes	No	
		Overall Control Ratings:	*Adequate*							

Actions (Treatments)	Due Date	Responsibility	Original Due Date	Extension 1 Date	Extension 2 Date	Comments / Current Status
Review Hazard Register	Dec-21	MWA / TWC	Dec Annaully	Feb-22		Unable to review due to staff shortages
Complete Staff Training Register	Jun-21	SMT	Jun Annually			Progressing
Conduct Quarterly Workplace Inspections	Quarterly	MWA / TWC				Inspections recommenced, inspection scheduled to be prepared
Safe Work Method Statements (SWMS) Library	Ongoing	MWA / TWC				2 outstanding SWMS
Assess Shire Building and Facility Safety and Security	Dec-21	MWA / TWC	Dec-19	Dec-20	Feb-21	To be conducted once there is an EHO in place, date not identified
Develop Isolated Worker Management Procedure	Jun-21	MWA / TWC	Dec-19	Jun-20	Dec-20	Commenced; deferred until September 2021
Re-Establish OSH Committee & Conduct Monthly Meetings	Monthly	MWA / TWC				Monthly meetings conducted
Review Managing Emergencies In Shire Facilities	Dec-21	CEO	Dec-21	Jun-22		Unable to review due to staff shortages
Conduct Annual BCP and LEMC Drills	Dec-21	CEO	Jun-20	Dec-21	Apr-22	Waiting for DFES to coordinate LEMC Drill; BCP drill outstanding
Review Contractor Inductions and Register	Dec-21	MWA / TWC	Jun-20	Jun-20	Dec-21	Unable to review due to staff shortages

KPI / Action Data

Key Performance Indicators	Tolerance	Latest Result	Trend	2020	2021	2022	Comments
Reporting and Management of Incidents	100%	100%	Improving	*100%*	*Unable to Rate*		Rated annually in December; Control to be identified to rate indicator
Failed Safety Inspections	Nil	Nil	Constant	*Nil*	*Unable to Rate*		Rated annually in December; Control to be identified to rate indicator
Lost Time Injuries Per Quarter	Nil	Nil	Constant	*30 Hours*	*Unable to Rate*		Rated annually in December; Control to be identified to rate indicator
Near Misses Per Quarter	Nil	Nil	Worsening	*Nil*	*4*		Rated annually in December
Workers Compensation Claims Per Quarter	Nil	0	Constant	*2*	*2*		Rated annually in December
Safety Audit Result % (Every Three Years)	95%	74%	Constant	*Not rated*	*74%*		Safety Audit completed May 2021;

Residual Risk Rating			Additional / Final Comments
Consequence Category	Risk Ratings	Rating	Reviewed by Management Team - Oct 2021
	Consequence:	Moderate (3)	Frameworks - the overarching structure to include adopted policies, documented controls, plans and strategies.
Health	Likelihood:	Possible (3)	
			Nil
	Overall Risk Ratings:	Moderate	

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 compliances	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 requiring	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 requiring	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 requiring	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.
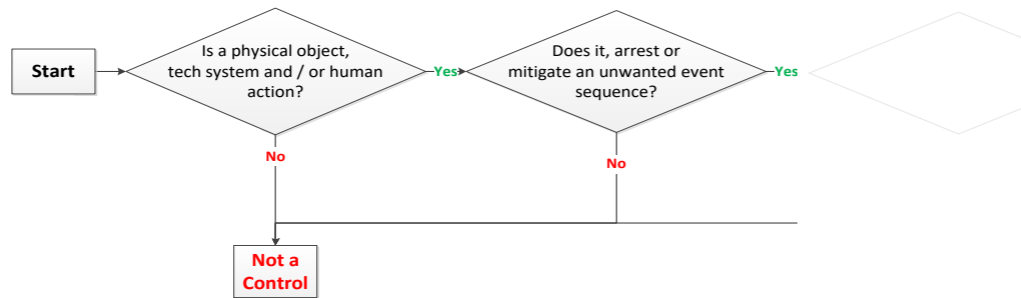
Lagging Indicator	Indicators relating to a result or outcome. Lag means the indicator will change after something happens. The indicator measures the results of an action. Looks back as to whether the intended result was achieved)
Leading Indicator	Indicators measures an input that leads to a result. Often related to something you can influence. How to produce desired results. Looks forward at future outcomes.

Risk Register

Theme	Key Control	Rating
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, Omissins & 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	Statutiry 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