



AUDIT AND RISK COMMITTEE MEETING

MINUTES

15 JULY 2021

These minutes were confirmed by Audit and Risk Committee as a true and correct record of proceedings by the Audit and Risk Committee Meeting held on 5/14/22

Presiding Member: Shire Date: 5/04/2022

Shire of Brookton
Audit and Risk Committee held 15 July 2021
Commenced at 1.00pm

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1.07.21 DECLARATION OF OPENING/ATTENDANCE

Attendance

The Presiding Member declared the meeting open at 1.00pm.

On behalf of Council, I would like to acknowledge that this meeting is being held on the traditional lands of the Nyoongar People and pay respect to all Elders, past, present and emerging. I wish to acknowledge and respect local people's continuing culture and the contribution they make to Country and it's life.

Elected Members (Voting)

Cr KL Crute	(Shire President)
Cr NC Walker	(Deputy Shire President)
Cr MG Macnab	

External Committee Members (Voting)

Ms. Belinda Mitchell
Mr. Eric Pech

Elected Members (Non-Voting)

CR CE Hartl	
Cr RT Fancote	
Cr TD Lilly	
Cr BK Watts	<i>entered the meeting at 2.00pm</i>

Visitors (Non-Voting)

Jordan Langford-Smith	Office of the Auditor General	<i>participated via video link</i>
Xuan Ong	Office of the Auditor General	
Ben Galvin	LGIS WA	
Sandra Clohessy	LGIS WA	

Staff (Non-Voting)

Ian D'Arcy	Chief Executive Officer
Kellie Bartley	Manager Corporate and Community
Danni Chard	Executive Governance Officer

Leave of absence

Nil.

Members of the Public

Nil.

2.07.21	CONFIRMATION OF PREVIOUS MINUTES
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ARC 07.21-01

COUNCIL RESOLUTION

MOVED Cr N. Walker **SECONDED** Cr. M Macnab

That the minutes of the Audit and Risk Committee meeting held in the Shire of Brookton Council Chambers, on 10th December 2020, be confirmed as a true and correct record of the proceedings.

CARRIED BY SIMPLE MAJORITY VOTE 5/0

3.07.21	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE
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Nil.

4.07.21	PUBLIC QUESTION TIME
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Nil.

5.07.21	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION
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Nil.

6.07.21 DECLARATIONS BY MEMBERS AND OFFICERS

Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.

Disclosure of Financial & Proximity Interests

- a. Members must disclose the nature of their interest in matters to be considered at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*).
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the *Local Government Act 1995*).

Disclosure of Interest Affecting Impartiality

- a. Members and staff must disclose their interest in matters to be considered at the meeting in respect of which the member or employee has given or will give advice.

Financial, Proximity and Impartiality Interests

Item no.	Members/Officers	Type of Interest	Nature of Interest
Nil.			

7.07.21 PRESENTATIONS

Office of the Auditor General

Mr Jordan Langford-Smith presented to the Committee the 2020-21 on the Annual Financial Report Audit Planning Summary, inclusive of an overview of the of the matters to be addressed through the audit process including:

- Previous Significant Risks identified in the 2019-20 audit and what level of remedial action has been performed by the Shire.
- Audit Emphasis and Significant Account Balances for 2020-21 including current business practices, key controls in place, accuracy and completeness of processing accounting transactions, significant accounting issues involving the management and administration of:
 - Cash and cash equivalents
 - Trade and other receivables
 - Property, plant, equipment, and infrastructure
 - Trade and other payables
 - Long term borrowings
 - Lease liabilities and right use of assets
 - Rates (process and controls)
 - Fees and charges
 - Operating and non-operating grants, subsidies, and contributions
 - Employee costs
 - Materials and contracts
 - Depreciation on non-current assets

- Management Representation Letter that confirms understanding of the audit process, the responsibility for the annual financial report, the provision of relevant and accurate information, and recording of all transactions the subject of the audit.
- Related Entities that are required to be reported under section 7.12AL of the *Local Government Amendment (Auditing) Act 2017*.
- Reporting Protocols in relation to the Audit process and as required under 7.12AD(2) of the *Local Government Amendment (Auditing) Act 2017*.
- Proposed Audit Schedule that allocates indicative dates/milestones through-out the audit process.
- Specific Audit Requirements to ensure a timely, efficient, and effective audit process on the part of the OAG auditors and the Shire Administration staff.
- Audit fee of \$51,000 applicable to the 2020-21 financial year.
- Confirmation of the Audit team members as the same as previous years - with no change.

Mr Langford-Smith concluded his presentation on the 2019-20 Audit, was thanked by the Shire President and left the meeting at 1.36pm.

Presentation from LGIS

Mr Ben Galvin – LGIS Manager Risk Services and Ms Sandra Clohessy – LGIS Account Manager addressed the Audit and Risk Committee on the new *Work, Health and Safety Act 2020* that is expected to be enacted in early 2022 upon finalisation of the subsidiary regulations.

The presentation canvassed the changes between the existing Occupational Health and Safety legislation and the new Act, with an acknowledgement WA will be falling into alignment with the Eastern States legislation.

The new legislation for the most part places a greater emphasis on accountability of safety in the workplace and introduces various changes, including:

- Provisions for industrial manslaughter.
- prohibition on insurance for monetary penalties.
- Definition of 'officer' being a person that makes, or participates in making, decisions that affect the whole, or a substantial part, of the business or undertaking.
- Definition of a 'worker' now includes a 'volunteer' for the purpose of the new legislation.
- Definition of 'person conducting a business or undertaking' (**PCBU**). This person who has significant control over the business or who can contribute substantially to the decision-making process such as the CEO or a manager.
- Significantly increased penalties

Mr Galvin concluded the LGIS presentation at 2.03pm and subsequently left the meeting with Ms Clohessy following appreciation expressed by the Shire President.

8.07.21 STATUS TABLE – REGULATION 17

The following table provides an understanding of governance matters identified through annual audits or required by legislation and an update on the progress of addressing relative compliance. The status is presented to satisfy the requirements of Regulation 17 of the Local Government (Audit) Regulations, 1996.

Black – No changes from previous reports

Yellow – Updated from previous report

Blue – Additions from latest Audit & Risk Committee meetings

Item #	Date Initiated	Item Title	OAG Findings or other Statutory Requirements	Risk Factor	Officer Status Update	Assigned to	Estimated Due Date	% Completed
1	20-Jun-19	Review of Risk Register	OAG 2018 Audit - Review of the Risk Register and Risk Management Plan – report to Audit & Risk Committee December 2019 2019 Audit – Noted Review of risk register still in progress	Moderate	Risk Management Plan completed and endorsed. Risk Register is presently pending review by Management and is now scheduled to be completed by the end of April / early May 2021 for consideration by the Audit and Risk Committee. 12.07.2021 – Risk Register updated and to be presented to the Audit & Risk Committee July 2021.	PCO MCC	May-21 July 2021	90% 100%
2	20-Jun-19	Asset Management Plan Review	OAG 2018 Audit – ratios affected due to exist plan spanning 9 years only holistic review of the Emergency Management framework that includes response, recovery, animal management and regional alliances. Noted the review of the Asset Management Plan	Moderate	Asset assessment of roads and associated infrastructure completed – Sewerage System CCTV capture completed – Engineering assessment Memorial Hall and Railway Station completed pending costing of options and public consultation – delay caused by 2 Managers leaving Shire employment simultaneously. Asset Management Policy adopted October 2020 and Asset Management Strategy endorsed by Council November 2020 There is desire to complete the Asset Management through a structured and meaningful approach that reflects the condition, required maintenance and retention or replacement of each asset that can then accurately inform the Long-Term Financial Plan. This process is unfortunately taking considerably longer than initially expected but is progressing. Recurrent review, update and reporting of the asset management framework is partially canvassed in IPR policy 2.42 adopted by Council at the December 2020 meeting. 12.07.2021 – AMP and suite of IPR plans are to be reviewed with consultant over the next 3-6 months with anticipated date for completion Sept-Oct 2021. Consultant appointed and commencement with scope of works.	MIE/MCC	Sept-21	65% 70%
5	20-Jun-19	Management of Issued infringements	OAG 2018 Audit – No process and no register of infringements issued by the Shire. No process to follow up on infringements in place. OAG 2019 Audit – issue not yet resolved OAG – 2020 Audit – OAG noted that issue not yet resolved.	Moderate	Register developed – admin procedures to be updated for front desk. Delay due to change over of MCC position. The Shire does not issue many infringement notices. Notwithstanding an Infringement Register and follow-up procedure will be implemented in the coming months. 04.02.2021 – It has been identified the areas of dogs, cats and bushfire infringements are the areas that are not captured within the system. The shire does not have the infringements program or FERS (Fines Enforcement Registry). The cost is high for the little number of infringements issued. 12.07.2021 – Infringement Register is now in place. Further review and processes to apply when infringements are issues.	MCC/PCO	April-21 Aug 21	75% 80%
6	20-Jun-19	Depreciation	AOG 2019 Audit – Useful Life of assets in policy	Moderate	Review will be picked up as part of AM and LTFP plans and shall be	MCC/MIE	Dec-21	50%

		Policy	appear to be excessive and may not reflect the life in the asset register		<p>reviewed as part of policy review annually. Delay caused by 2 Managers leaving Shire employment simultaneously.</p> <p>The assigned value and condition assessment for some assets is questionable placing a strong emphasis on the Asset Management being completed that accurately reflects the true value and condition of each asset. It is viewed that a review of the depreciation policy should be aligned to the asset management process.</p> <p>17.02.2021 – MCC presented in CBF for information that the Policy will be addressed as part of OAG Audit findings for 2020. Further review and considerations with regards to the depreciation rates and useful life will be aligned with the Shire's strategic documents, specifically the Asset Management Plans and Long Term Financial Plan once completed.</p> <p>12.07.2021 – To be reviewed with the AMP and suite of IPR plans in the process of the Strategic Resource Plan.</p>			
8	9-Jul-20	Emergency Management Arrangements	Holistic review of the Emergency Management framework that includes response, recovery, animal management and regional alliances.	Moderate	<p>The respective LEMP prepared and reviewed under an AWARE grant funding – endorsed by LEMC and to be forwarded to Council at August OMC 2020. Then to be referred to State Emergency Management Committee waiting approval. Animal Welfare Plan yet to be drafted in collaboration with neighbouring LGs .</p> <p>29.01.2021 – Animal Welfare Plan (AWP) has been completed and will be presented to LEMC for endorsement prior to being presented to Council (MCC/CLO/CESM).</p> <p>25.02.2021 – AWP to be presented to LEMC meeting scheduled 9 March 2021. Animal Welfare Plan Grant is near completion and final purchases are being made for the animal equipment as identified within the grant guidelines. (MCC/CLO/CESM).</p> <p>12.07.2021 – Animal Welfare Plan endorsed by Council in June 2021 and equipment purchases completed.</p>	MIE/MCC	Feb-21 Completed	95% 100%
10	9-Jul-20	Review of Long-Term Financial plan	Forms part of the Integrated Planning and Reporting Framework that informs the annual budget - subject to review every two years.	Moderate	<p>Moore Stephens Financial Consultant engaged to preform review of the LTFP – awaiting information from the Asset Management Plan.</p> <p>12.07.2021 – commencement with Moore Australia for the suite of plans IPR.</p>	MCC	Dec-21 Oct-21	20%
11	9-Jul-20	Review of Workforce Plan	Forms part of the Integrated Planning and Reporting Framework that informs the annual budget - subject to review every two years.	Moderate	<p>Draft Workforce Plan template compiled – progress to be performed in the coming months following full re-alignment of officer duties and transfer of a number of service delivery functions in-house (ie swimming pool management, cleaning, bushfire management).</p> <p>12.07.2021 – commencement with Moore Australia for the suite of plans IPR.</p>	CEO/ODO	May-21 Dec-21	20%
15	9-Jul-20	Review of Local Laws	A review of the Shire of Brookton's Local Laws to be conducted.	Moderate	<p>12.07.2021 – Draft Meeting Procedures Local Law and revocation of Extractive Industry Local Law endorsed by Council in April 2021 – presently awaiting gazettal.</p>	PCO	Ongoing	20%
16	10-Dec-20	Independent Review of Reconciliations	The Shire did not have an independent officer reviewing the reconciliations for Rates and Creditor balances for June 2020. These reconciliations were prepared by the Rates Officer with no subsequent review.	Moderate	<p>To perform independent reviews of reconciliations with a procedure to be written to guide this process.</p> <p>04.02.2021 – The MCC has completed a Unimproved and Gross Rental Valuations Balancing effective from 1st July 2020 to January 2021. All valuations are now accounted for and reconciled to the GRV/UV Valuation Rolls and the Rates Modelling adopted by Council 2020/21 financial year. A new interim rates checklist has been created and now in use for MCC to authorise any changes by officers. Valuations are now balanced and recorded in the end of month process and verified by MCC. Officers</p>	MCC/SFO	Apr-21 July-21	95%

					awaiting an interim roll to be issued by VGO to finalise action with interim rates procedures. 12.07.2021 – OAG to finalise the process through the interim audit review in July 2021.			
17	10-Dec-20	Remote IT Access	The Shire staff have the ability to remotely access Shire computer systems remotely using 'remote desktop protocol' (RDP) which authenticates using staff network accounts and passwords. Although the RDP connection is secured by requiring connection through a gateway, there is no other form of security or authentication placed over the connection.	Moderate	The Shire will liaise with its IT Contractor to determine the most appropriate solution including the possibility of implementing multi-factor authentication for remote access. 28.01.2021 – Meeting held with Market Creations and the Remote IT Access. Market Creations requires to provide a quote to create a Gateway for additional security and authentication of the current process in place. System is backed up each night and is stored offsite for security and reduced risk to the Shire. Quote has been requested by email. Awaiting response. 12.07.2021 – Market Creations upgraded remote access by requiring a VPN to log in remotely – awaiting auditor's acceptance that this is satisfactory.	MCC/SFO	Apr-21 July-21	50% 95%
18	10-Dec-20	Purchasing Policies and Procedures	The Shire has not yet developed documented procedures over the authorisation and payment of accounts. From sample purchases selected for testing, seven instances were noted where evidence that appropriate quotes were obtained could not be provided and verified by audit. In addition, one sample was noted where the PO was not authorised before the purchase was made.	Significant	A review will be undertaken on the procurement practices with the view to amending the process and authority to pay in consideration of Regulation 11. 27.01.2021 – Further time is required to implement and assess internal processes, procedures, internal controls, staff's level of understanding, how effective synergy and purchase orders are understood by officers and variances over 10%. Authorisation limits and training are also required to be commenced to enable the organisation to abide by the legislation and Council Policy. Further time is required to finalise this item. 25.02.2021 – In review with staff and against current legislation. 12.07.2021 – Review of Purchasing Policy being performed as part of the Policy Manual Review included in the Council's July 2021 CBF.	MCC	Mar-21 Dec-21	50%
21	3-Feb-21	Elected Members Code of Conduct and Complaints Handling	Adoption of a new Code of Conduct for Council members, committee members and candidates, that is compliant with the Local Government (Model Code of Conduct) Regulations 2021, preparation of a complaints handling procedure and form, and appoint of a complaints officer.	Significant	Agenda Item addressing a new code of conduct and complaints handling of elected members presented to a Special Council meeting convened 04.03. 2021. 12.07.2021 – Code of Conduct for Elected Members has been presented to Council together with complaints handling policy and procedure. Allocation of funds also included in draft 2021-22 for investigation of misconduct should the need arise.	CEO/MCC	May-2021 Completed	70% 100%
22	3-Feb 21	Employee Code of Conduct	Adoption of a new Code of Conduct for Shire employees in accordance with the Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021.	High	Review yet to be performed on the existing Employee Code of Conduct to ensure it aligns to the Regulations. 12.07.2021 – Code of Conduct for Employees has been presented to Council and has been delivered to staff.	CEO/MCC	May-21 June 21	0% 100%
23	1-Feb 21	Compliance Audit Return	Performance of the Annual Compliance Audit (CAR) involving internal-assessment and reporting on statutory function and relative compliance.	High	The CAR has been performed over the month of February 2021 with the review being presented the Audit and Risk Committee Meeting on 04.03.2021 before being presented to Council at the March 2021 OCM. 12.07.2021 CAR Submitted into Smarthub and item is now completed.	MCC	Mar-21	95% 100%

Mr Eric Pech left the meeting at 2.54pm and did not return.

9.07.21 RISK MANAGEMENT REVIEW – JULY 2021

File No:	GOV-026
Date of Meeting:	15 July 2021
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Kellie Bartley – Manager Corporate & Community Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author has no financial interest in this matter
Voting Requirements:	Simple majority
Previous Report:	N/A

Summary of Item:

This report is provided to the Audit and Risk Committee for consideration, noting and input where required.

In accordance with Council Policy – 2.8 - Risk Management Policy the Council’s role with assistance from the Audit and Risk Committee is to:

- Review and approve the Shire’s Risk Management Policy and Risk Assessment and Acceptance Criteria.
- Liaise with Office of the Auditor General in its assessment and reporting on financial statements and performance standards annually.
- Establish and maintain an Audit and Risk Committee under provisions of the *Local Government Act, 1995* with the charter to oversee the identification of relevant risks and associated actions of mitigation across all finance and operational areas.

Given the above, the Shire’s Risk Register has been reviewed by staff across the organization to identify the type, extent, and treatment of risks with a level of priority that needs to be methodically addressed.

This copy of the risk register in a revised/draft format is presented as for review.

Description of Proposal:

As above.

Background:

In accordance with Regulation 17 (1) of the *Local Government (Audit) Regulations 1996*, the Chief Executive Officer is required to review the appropriateness and effectiveness of the Shire of Brookton’s systems and procedures in relation to risk management, internal controls, and legislative compliance at least once every three years.

The Shire of Brookton has significant moral, financial and legal responsibilities to exercise effective and efficient governance of services and infrastructure to the community and residents. Effective risk management is essential to the Shire’s success in servicing the community, delivering on its objectives, and establishing a risk adverse outcome for the community and to the functions required by the Shire.

Shire Officers has recently undertaken a review of the Shire's Risk Register and updated the appropriateness and effectiveness of the systems and procedures that the Shire is required to maintain under Regulation 17 of the *Local Government (Audit) Regulations 1996*.

This report is provided to the Audit and Risk Committee at each Audit Committee Meeting in the form of a status table.

The Shire accepts the taking of calculated risks, the use of innovative approaches and the development of new opportunities to improve service delivery and achieve its objectives, provided that the risks are properly identified, evaluated, and managed.

Importantly, the Risk Register is integral to identifying the prominent risks and associated measures required to deliver an acceptable level of mitigation, with acceptance and routine monitoring performed by the Council's Audit and Risk Committee.

Consultation:

There are no community engagement implications as a result of this report. Senior Officers, and relevant staff have reviewed and updated this report. Actions have been commented for further review by the organisation.

Statutory Environment:

Regulation 17 of the *Local Government (Audit) Regulations 1996* provides:

17. CEO to review certain systems and procedures

- (1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —*
 - (a) *risk management; and*
 - (b) *internal control; and*
 - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
- (3) *The CEO is to report to the audit committee the results of that review.*

Relevant Plans and Policy:

This matter relates to "Policy – 2.8 – Risk Management". This policy promotes that every employee, Elected Member, volunteer and contractor within the Shire has a role to play in risk management.

The stated objectives of the policy are to:

- Optimise the achievement of the Shire's vision, experiences, strategies, goals, and objectives.
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations.

Financial Implications:

There are no budgetary consideration or implications pertinent to reviewing the Risk Register. However, there will be costs associated with implementing the actions/measures required to mitigate the risks as identified through the statutory budgeting process.

Risk Assessment:

The risk in relation to this matter is assessed as “High” on the basis that if both the Audit and Risk Committee and Council does not support this item, it will present the Shire as non-compliant with the statutory regulations or compliance requirements required to maintain an effective assessment of risk to the organisation and to the community.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

This item relates to delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – October 2020, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the contract services support the following Business Unit and Functions:

19. Risk Management

- 19.1 Review Risk Management Policy
- 19.2 Perform risk assessments
- 19.3 Implement risk mitigation measures

Comment

It is requested that the Audit and Risk Committee review and where necessary discuss the Shire of Brookton Risk Register – July 2021 with the view to finalizing the document for endorsement by Council. Thereafter, the Risk Register will be used as an informative plan to implement improvements to reduce the Shire risk and increase efficiencies.

OFFICER'S RECOMMENDATION

That the Audit and Risk Committee, pursuant to regulation 17 of the Local Government (Audit) Regulations 1996 notes the review and recommends Council endorses the Shire of Brookton Risk Register – July 2021 as presented in Attachment 9.07.21A.

(Simple majority vote required)

ARC 07.21-02

COUNCIL RESOLUTION

MOVED Cr N. Walker SECONDED B. Mitchell

That the Audit and Risk Committee, pursuant to Regulation 17 of the Local Government (Audit) Regulations 1996 notes the review and recommends Council endorses the Shire of Brookton Risk Register – July 2021 as presented in Attachment 9.07.21A.

CARRIED BY SIMPLE MAJORITY VOTE 4/0

Attachment

Attachment 9.07.21A – Shire of Brookton Risk Register

Shire of Brookton Risk Register																		
Risk #	Risk description	Reported Date	Responsible Manager	Primary Responsible Officer	Risk Category	Risk Identification/ Description	Potential Causes	Existing treatments and controls	Control Effectivity Rating	Likelihood	Consequence	Risk Rating	Actions/ Treatments/ Issues	Status	Due Date	Indicators/ Monitoring /Review	Risk Acceptance	Date Closed
1	Complaints Register - Elected Member Code of Conduct	Jul-21	CEO	EGO	Governance and Compliance	Behaviour, conduct issues. Insufficient updated and training.	Lack of understanding of role and insufficient updated and training.	Complaints Form and Register maintained, investigation regime established in accordance with 2021 Regs, matters determined by Council and/or reported through Dept of LGSC Standards Panel, included in SoB Annual Report, Annual Review of Councillors and separate Employee Code of Conduct documents.	Adequate	Possible	Moderate	Medium	Annual review of applicable Codes of Conduct and Policies and training of Elected Members and Employees. Budget allocation for independent investigations to be included in annual budget. New Complaints register, process and new statutory requirements as per legislation endorsed effective 3 Feb 2021.	Medium	Jul-21	No. of complaints processed. Ongoing monitoring. Review performed annually.	Low	
2	Documented Advice - All Departments	Jul-21	All	AO	IT & Record Keeping	Non compliant record keeping leading inaccurate understanding and decision making.	Incorrect record keeping structure and practices. Lack of understanding of impotence and implications.	Improved document control systems, and procedures .	Adequate	Possible	Moderate	Medium	Improve document control systems (electronic and manual) and procedures. Review document control structure and authorised access. Standardise templates to ensure consistency.	Medium	Ongoing	None	Medium	
3	Administration Policies	Jul-21	CEO	EGO	Governance and Compliance	Inconsistent or unfair service delivery, non compliant action, advice or service delivery.	Lack of documented procedures, lack of training and experienced staff, lack of ongoing review, improvised response to uncommon event/s.	Regular review and amendment to individual policies and bi-ennial review of Policy Manual.	Adequate	Possible	Moderate	Medium	Continued practices of review and update of existing Council and Administrative policies. Must ensure policies and delegations maintain alignment.	Medium	Ongoing	Each policy to detail adoption, amendment and review date	Medium	
4	Induction Process - Councillors	Jul-21	CEO	EGO	Governance and Compliance	Code of Conduct breach, negative impact to function of Council, misunderstanding of role and responsibilities.	Lack of training, understanding of function, role and information.	Election briefing for candidates prior to nominations. Induction completed after Swearing In of new councillors. USB drive provided with relevant documentation, newly elected members to complete 5 mandatory training modules (Specified by LG Act).	Adequate	Unlikely	Minor	Low	Review induction process every two years of induction process and information provided to ensure it is contemporary.	Low	Sep-21	Review Sept prior to LG Ordinary Election	Low	
5	Hirer's Agreements (Compliance)	Jul-21	MCC	AO	Governance and Compliance	Multiple bookings for the same facility on the same time/day. Missing paperwork. Fees and charges not being paid prior to the event. Facility not returned in the same condition. Admin staff holding onto bookings paperwork instead of filing in correct position.	Administrative errors. Community Groups using facilities without bookings.	Outlook "Bookings" Calender. Paperwork to be completed. Proedure to be documented and followed.	Adequate	Unlikely	Minor	Low	Review procedure and work instruction annually	Low	Jun-21	Review in June each year	Low	
6	LEMC Exercises	Jul-21	MCC	CESM	Emergency Services	Theoretical response by the LEMC to test Local Emergency Management Arrangements and identify improvements	Lack of understanding by LEMC of role. Lack of practical exercise of theoretical plan prior to incident.	Improved understanding of legislation. Regular LEMC meetings and exercise schedule.	Inadequate	Possible	Moderate	Medium	Regular, planned run through of Emergency Response LEMC exercises with assistance from DFES	Medium	Ongoing	Completion of exercises regularly. Review of feedback and learnings.	Medium	
7	Delegation Register - Framework	Jul-21	CEO	AGO/EGO	Governance and Compliance	Decisions made without lawful authority and subject to legal challenge. Lack of accountability.	Persons acting outside of delegated authority due to administrative error or misunderstanding.	Regular review of Delegation Register as per legislation. Understanding by Delegates of powers granted.	Inadequate	Likely	Major	High	Review and restructure Delegation Register. Employees to sign acceptance of level of approved authority.	High	Sep-21	Review conducted annually	High	
8	Policy & Procedural Review Process	Jul-21	CEO	AGO/EGO	Governance and Compliance	Policies and procedures not being developed or followed in order to achieve and maintain organisational and Elected Members efficiency, compliance, consistency and transparency.	Lack of awareness and understanding. Policies and procedures not reviewed on regular basis.	Regular review of Policies and Procedures. Communication of existing and changes to policies and procedures to be routinely performed.	Inadequate	Likely	Moderate	High	Oning review of Policies. Preparation of procedures and work instruction for most operational functions.	High	Ongoing	Review and report performance on ongoing basis.	High	
9	Contract Management System	Jul-21	CEO	EGO	Governance and Compliance	Contract expiration, mismanagement or missed opportunities.	Lack of procedure, regular review and monitoring.	Maintenance and monitoring of Contract Register	Inadequate	Possible	Major	High	Contract engagement procedure prepared and performed.	High	Dec-21	Review conducted annually	High	
10	Meetings	Jul-21	CEO	EGO	Governance and Compliance	Council and Committee meetings not being conducted in accordance with standing orders and associated protocols. Minutes not being accurately recorded.	Lack of understanding of meeting procedures and maintenance of compliant records.	Redraft of Standing Orders Local Law. Meeting procedures to form part of Elected Member induction process.	Inadequate	Possible	Moderate	Medium	Gazettal of new Standing Orders Local Law. Training for Elected Members on meeting protocols and etiquette. Prepartion of procedures for taking and recording of minutes.	Medium	Jun-21	Biennel Annual reviw	Medium	
11	Integrated Strategic Planning Documents	Jul-21	CEO	CEO	Governance & Compliance	Incomplete and inaccurate process with little integration. Not compliant with regulatory framework.	Lack of Elected Member and staff training, awareness and knowledge. Lack of integration of documents/functions. Lack of Community consultation and input. Lack of Staff continuity Lack of effective process.	Training of Elected Members and staff. Routine reporting to Audit Committee, Council and Community, Regular reviw as per legislation.	Inadequate	Possible	Major	High	Monitoring and Reporting on a regular basis. Asset Management and Long Term Financial Planning lacking compliance - to be completed by Sept 2021. Community Engagement, independent Consultants to perform major review in 2022 and ongoing training of Elected Members and Staff.	High	Sep-21	Regular review, reporting and outcomes in compliance with legislation	High	
12	Calendars - Compliance Deadlines	Jul-21	MCC	MCC	Governance & Compliance	Failure to achieve statutory compliance and meeting due dates.	Ineffective management and oversight of Calender Register, lack of understanding on importance of achieving statutory timelines.	Accessible Calender / Register that details due dates for compliance.	Inadequate	Possible	Moderate	High	Establish and maintain an online calendar that details due dates of compliance.	High	Dec-21	Regular reviews and monitoring.	High	
13	External Auditor Reviews	Jul-21	MCC	MCC	Governance & Compliance	Level of non compliance against legislation and across financial, governance and operational functions. Fraud and cyber attack. Lack of accountability and transparency.	Ineffective processes, controls and reporting. Lack of seperation of duties and documented procedures. Lack of staff training. Staff turnover.	Enhancing function and understanding of the Audit and Risk Committee. Staff training, regular reviews. Procedure manual being prepared.	Inadequate	Possible	Major	High	Staff Training. Actioning items raised by AOG audits in a timely manner. Improved function of and reporting to the Audit and Risk Committee. clear job description, monthly reviews, regular feedback.	Medium	Ongoing	Annual auditing and routine Audit and Committee Meetings.	Medium	
14	Staff Inductions (Code of Conduct Component)	Jul-21	CEO	ODO	Human Resources	Non-compliance with the Employee Code of Conduct due to lack of knowledge.	Lack of understanding and acceptance of the Employee Code of Conduct	Basic Employee indiction in place and under review.	Inadequate	Likely	Moderate	High	Preparation and incorporation of the Employee Code of Conduct in the staff induction process	High	Jun-21	The Employee Code of Conduct and induction process reviewed annually.	High	
15	Staff Individual Training Plans	Jul-21	CEO	ODO	Teaching, training and learning.	Individual staff training performed on random unqualified basis with marginal benefit to the individual or employer.	Staff unaware of training budget or opportunity of training and professional development	Employee Training Policy 2.39 prepared in Feb 2020 but yet to be effectively implemented.	Inadequate	Likely	Moderate	Medium	Review Workforce Plan and preparation of a Training Needs Analysis and Training Register based on operational requirements for specific positions and individual professional development where the training aligns to the employee's position. Allocation of sufficient funds in the annual budget to achieve the stated outcome.	Medium	Mar-22	Effective delivery of staff training and up skilling of the workforce annually. Annual review of training needs.	Medium	
16	Qualified Project Managers/Staff	Jul-21	CEO	ODO	Human Resources	Project mismanagement due to inexperience/insufficient qualification. Incoming staff not able to complete tasks to the anticipated standard or in required timeframe.	Lack of skilled staff and training in relation to project management.	Some skilled staff employed with previous project management experience. Process underway to upskill existing employee	Inadequate	Possible	Moderate	Medium	Further training and up-skilling of staff. Improved communication. Sharing of information and knowledge.	Medium	Dec-21	Monitoring of successful project delivery	Medium	
17	Roles & Responsibilities	Jul-21	CEO	ODO	Human Resources	Employees not aware or unsure of what their role entails or what the incumbent is responsible for.	Duties not included or clearly defined in Position Description. New duties being added or existing duties being reallocated without being documented and well understood.	Review of PD when the position is vacated.	Inadequate	Likely	Moderate	High	Annual review of PD's at the time of performance assessments. Assess relevance of purpose and duties of each position.	High	Jul-21	Review annually May-June each year	High	
18	Training Needs Analysis & Training Register	Jul-21	CEO	ODO	Human Resources	Oversight on important training and professional development compromising OHS and optimum performance of the organisation in service delivery and compliance. Training opportunities missed or training not beneficial to the organisation being undertaken. Training records not kept up to date or accurately.	Role changes altering responsibility to update register. Lack of staff time resulting in neglected training and needs analysis.	Training register being developed, but incomplete.	Inadequate	Likely	Minor	Medium	Review Workforce Plan and preparation of a Training Needs Analysis and Training Register based on operational requirements for specific positions and individual professional development where the training aligns to the employee's position. Allocation of sufficient funds in the annual budget to achieve the stated outcome.	Medium	Mar-21	Effective delivery of staff training and up skilling of the workforce annually. Annual review of training needs.	Medium	
19	Workforce Plan	Jul-21	CEO	ODO	Human Resources	Lack of projected resourcing to deliver services and good governance. Organisation structure and recruitment not aligned to Strategic Planning outcomes. Lack of co-ordinated and meaningful training and professional development.	Poor time management to progress integrated plans leaving the existing workforce planning lacking substance and outdated. Can lead to under/over resourcing and poor service delivery and compliance with statutory requirements.	Organisational structure regularly updated but not formally aligned to required Workforce Plan	Inadequate	Possible	Moderate	high	Completion of the Asset Management Planning and Long Term Financial Planning. Review of Workforce Plan informed and integrated detailing resource and skill requirements together with training needs and well being initiatives.	High	Dec-21	Review aligned to IPR Framework	Medium	
20	Performance Review Process	Jul-21	CEO	ODO	Safety and Health	Performance review process not being completed annually and consistently.	Lack of understanding and commitment to evaluating performance and presenting constructive feedback to employees.	Performance reviews conducted annually . ODO assigned to arrange and attend each review with oversight of process for consistency and fairness.	Adequate	Unlikely	Moderate	Medium	Need to embed traing as part of the review process.	Medium	Dec-21	Annual review of process reported to Audit and Risk Committee and Compliance Audit Return.	Low	
21	Workplace Inspections		CEO	ODO	Safety and Health	Workplace Inspections not completed. Preventable incidents occurring. Lawful action instigated due to possible non-compliance/negligiance.	Lack of duty of care and staff resourcing. Workplace health and safety not being prioritised.	Workplace Inspection forms available.Some OHS training completed. Basic reporting on possible risks and near incidents.	Inadequate	Likely	Major	High	Procedure to be prepared and administered for quarterly inspections to be performed and recorded/filed with the ODO .	High	Sep-21	Annual review of procedure reported to Audit and Risk Committee.	High	
22	OSH Management Framework	Jul-21	CEO	ODO	Health and Safety	OSH Management Framework not being implemented successfully.	Lack of duty of care and staff resourcing. Workplace health and safety not being prioritised.	3 Steps to Safety LGIS Framework. Staff education, uptake and engagement occurring.	Inadequate	Likely	Major	High	Increase understanding and training of staff on OHS legislative requirements, protocols and actions. Formation of a small OHS Committee. Dedicated allocation in annual budget to immediately address/mitigate OHS risks.	High	Sep-21	Quarterly reporting to Executive on OHS. Biennial reviw of OHS Framework.	High	
23	Contractor / Site Inductions	Jul-21	MIA	WC/ODO/ BMO.	Health and Safety	Site Inductions not undertaken. Potential incident with negative outcomes.Lawful action instigated due to possible non-compliance/negligiance.	Staff and contractors not adhering to Velpic Contractor Management system procedure. Lack of supervision and enforcement by Shire staff. Lack of duty of care by contractor.	Site specific induction included in Contractor Management procedure. Document to be uploaded to Contractor entry in Velpic.	Effective	Likely	Major	High	Dedicated procedure to be prepared. Contractor Induction and Shire oversight of contractor performance.	High	Dec-21	Annual review of procedure's effectiveness.	High	
24	Staff OSH Inductions	Jul-21	CEO	ODO	Health and Safety	Staff OSH Induction not completed during onboarding process. Staff not made aware of organisational OSH expectations and responsibilities. OSH Induction completed but records not kept.	Onboarding Procedure not followed and OSH Induction not delivered. Lack of duty of care and staff resourcing. Workplace health and safety not being prioritised.	Recently updated OSH Induction available.	Inadequate	Possible	Major	High	Induction process to be reviewed and enhanced to place greater emphasis of OHS requirements.	High	Mar-22	Annual review of Induction process effectiveness.	High	
25	Emergency Preparedness (Wardens, Evac Diagrams etc)	Jul-21	CEO	ODO	Health and Safety	Mismanagement of an internal emergency due to poor or outdated planning and staff awareness and action during an emergency.	Poor or outdated planning. Lack of prioritisation.	Existing Evacuation plans posted	Inadequate	Possible	Unlikely	Medium	Review of Evacuation Plans. ODO appointed as Warden. Emergency drill to be conducted annually.	Medium	Oct-21	Annual review and reporting on effectiveness of Evac Plans, muster points and emergency drill/s.	Medium	
26	Administration Procedures	Jul-21	MCC	AGO	Governance and Compliance	Lack of up to date continuity planning exposes the Shire to numerous risks of disruption to business and decreased service level delivery.	Limited existence, ongoing creation, awareness and uptake of Administration Works Instructions and Procedures.	Current Administration Procedures, Work Instructions and Procedure Manuals. Staff Awareness and uptake. Records system upgrade underway.	Inadequate	Likely	Moderate	High	Staff engagement, education, input, creation and feedback. Tasks works Instruction creation etc to be included in Position Descriptions. Creation and use of standard, uniform documentation and disregarding obsolete forms. Regular review of Work Instructions, forms and checklists.	High	Ongoing	Customer Complaints. Outcomes of Work Instructions and documentation reviews.	High	
27	Business Continuity Framework (eg. Procedures, Plans, Exercises)	Jul-21	MCC	AGO	Governance and Compliance	Outdated, unused and nonexistent procedures and checklists increasing the risk of Shire exposure to inconsistent service delivery and potential errors.	Lack of relevant planning, limited awareness and uptake.	Business Continuity Plan created and various actions of the Plan initiated. Staff awareness and use. Annual Review Scheduled.	Adequate	Likely	Medium	Medium	Continued actions to be undertaken in accordance with the Plan. Staff training and regular review to be performed.	Medium	Ongoing	Biennial review of CBP. Frequency and down time of incidents.	Medium	
28	Documented Procedures / Checklists	Jul-21	MCC	AGO	Governance and Compliance	Lack of documented understanding of process and associated responsibilities resulting in levels of non-compliance and efficiencies.	Insufficient planning for regular review. Limited awareness and uptake of existing Procedures restricts valuable feedback. Staff not referring to relevant Procedures or Checklists when necessary due to inexperience, not being aware fo purpose or lack of Procedure and Checklist.	Procedure and Work Instruction templates, guidance materials and support being implemented.	Inadequate	Possible	Moderate	Medium	Staff engagement/education including role specific allocations and generation of Role Specific Work Instructions to be prepared and implemented. Update of position descriptions to align with endorsed procedures.	Medium	Ongoing	Include in Employee's annual performance reviews.	Medium	
29	Facilities Maanagement	Jul-21	CEO/MCC/ MIA	AO	Governance and Compliance	Flawed management of public facilities including accurate bookings, poor maintenance and functionality, and sub-standard hygiene standards.	Insufficient physical security measures in place, not retrieving all keys from departing staff, human error i.e. forgetting to lock up. Possibility of unsupervised access to swimming pool.	Key Management by Administration, onus on hirer's to pay bond lock up after use and return keys. Regular Contractors issued keys and left to manage themselves. Other Contractors usually accompanied by staff.	Adequate	Possible	Moderate	Medium	Further training and resourcing of staff required to ensure facilities are appropriately managed and maintained. Gym induction to be addressed - possible swipe card suystem for Gym access	Medium	Jun-22	Level of complaint received from community members	Medium	

30	Landfill /Supervisory / Waste Management Plans	Jul-21	MIA	MIA	Governance and Compliance	Lack of compliance in relation to regulatory standards, environmental harm, and poor service delivery.	Limited awareness of requirements, relevant experience, labour and technical skill. Contract limitations	Contractor site management. Additional investigations and planning preparation underway.	Inadequate	likely	Major	High	Review Waste Contracts, management approach and performance requirements. Prepare Reserve Management Plan and Landfill Post Closure Plan. Established ground water monitoring bores. Perform flora and fauna survey and obtaining vegetation clearing permit for landfill and cover material.	High	Jun-22	External and Annual Report Submissions, eg ABS DWER.	High	
31	Risk Register	Jul-21	MCC	AGO	Governance and Compliance	Lack of understanding and attentive to identify risks and solutions leading to non-compliance and inefficiencies.	Limited awareness of Risk Assessment process and uptake.	Risk Management Framework and Process performed.	Adequate	Likely	Major	High	Staff engagement/education, complete Risk Assessments and update Risk Register, update with new Risks, promote ongoing use.	Medium	TBD June 2021	Generation of Risk Assessment forms and review/update of register.	Medium	
32	Mail Process	Jul-21	MIA	AO	Administration	Incorrect registration may lead to time delay, insufficient information or lack of contact details, poor customer service.	Lack of documented process and staff training. Some correspondence sent by other mediums except traditional mail and not recorded/tracked.	Inward and Outward Correspondence Procedure 2.27.1 created.	Adequate	Likely	Moderate	High	Effective training and continuous adherence to the Inward and Outward Correspondence Procedure should greatly reduce risk. Records Officer reviewing procedure and updating Work Instruction to suit.	Medium	Jun-21	Regular review and feedback regarding Procedure. Customer service levels.	Medium	
33	Caravan Park Management	Jul-21	CEO	EGO	IT & Record Keeping	Poor oversight of the Caravan Park with duplicate bookings, bookings missed and non payment of bookings (Caravan Park), Damage to corporate image.	Multiple staff managing bookings. Lack of structured procedure and attentiveness.	Intoduced electronic booking system with staff training.	Adequate	Likely	Moderate	Medium	Initial 6 month trial period to assess efficiency and effectiveness.	Medium	Jul-21	Reviews, feedback received over initial 6 months	Medium	
34	Complaints Register - Customer Complaints	Jul-21	MCC	ARO	IT & Record Keeping	Noncompliance with State Records office, inefficient record keeping processes, loss of documentation/information, poor response to customer complaints adversely affecting corporate image.	Ineffective time management, having to follow up fo further information, lack of procedure, lack of understanding purpose and prioritisation.	Register to record all compliant's and requests, Officers to followup and sign off.	Adequate	Possible	Moderate	Medium	Ensure register is completed, staff training, monthly reviews, Officers advise when file is completed.	Medium	Dec-21	Reviews, feedback received.	Medium	
35	Records Management Policy and Processes	Jul-21	MCC	ARO	IT & Record Keeping	Incorrect decisions or procedures implemented resulting in noncompliance and inefficiency in operational performance.	Spreadsheets/Datanases - loss or corruptions, inadequate security levels, insufficient storage facilities and staff training.	Training of staff to be conversent with records processing and recording. Back up e-records, strong room, compactus - dedicated records officer.	Inadequate	Almost Certain	Major	Severe	Ongoing training for all staff, fortnightly monitoring and reporting, engage external Consultant. Records Keeping Plan 2020-2025 has been presented to Council OCM02.21-6. SRO has approved process, ARO in progress of training and internal processes as outlined it the RKP. Further development with process and procedures are underway.	High	Sep-21	Regular review, reporting, reduction of enquiries to locate records.	Severe	
36	Emergency Community Engagement Framework (Communication Plan)	Jul-21	MCC	CLO	Emergency Management	Lack of process to generate awareness and preparedness to adequately respond and recover from a significant emergency event.	Lack of resources to prepare and implement a structured communications framework	None	Inadequate	Almost Certain	Medium	High	Development of the Community Engagement Framework to be pursued under the guidance and oversight of the LEMC.	Medium	Dec-21	Monitor the effectiveness of community engagement.	High	
37	Emergency Events Policy / Procedures / Monitoring	Jul-21	MCC	CLO	Emergency Management	Lack of preparedness to respond effectively to event and demands of the community during recovery.	Climate change. Lack of skilled/trained staff.Lack of awareness of current plans, policies and procedures. Lack of volunteers. Lack of back-up systems and capacity to align with levels of responsibility.	Review of Emergency Mngement Arrangements and implementation of measures to intruduce back measures.	Inadequate	Almost Certain	High	High	Preparation of an effective policy, events forms etc to be created .	High	Ongoing	Routine review and assessment through LEMC and BFAC.	High	
38	Current LEMA & Recovery Plans	Jul-21	MCC	CLO/CESM	Emergency Management	Inability to effectively respond to emergency events resulting in noncompliance, organisational inefficiency, community suffering and inconvenience, damage corporate image.	Insufficient planning. Plans not kept up to date.	Current Plans require review and adoption through the relevant parties involved.	Inadequate	Likely	Major	High	Existing emergency plans and arrangements to be further relewed in the wake of recent events and escalating climate change (ie Wooroloo Fires, COVID 19 pandemic & TC Seroja). Increased training of staff and volunteers and community education.	High	Jun-22	Routine review and assessment through LEMC and BFAC.	High	
39	IT Support - Performance Monitoring	Jul-21	MCC	MCC	IT & Record Keeping	Potential for fraud or error is unnecessarily higher when full responsibility/control sits with one role.	Hardware failure. Lack of authorised access. Lack of seperated duties. Lack of security settings.	Market Creations monitor system and provide reports. Clear separation of duties and authorised access levels.	Adequate	Possible	Major	High	IT Contract with clear security and authorisation parameters/settings, provisions and monthly reporting on performance of the IT system and software.	Medium	Ongoing	Monthly monitoring in place with current service providers.	Medium	
40	Tender Process (eQuotes)	Jul-21	CEO	EGO	Financial	Insurance register not completed annually, leaving assets uninsured.	Staff unaware of eQuotes resource or how to access/use it. Individual officers seeking to silo and maintain control of process to accommodatepersonal bias.	Tender process centralised with EGO position to ensure consistency and compliance.	Inadequate	Possible	Moderate	Medium	Procedure to be prepared on the the call for tenders and e-quotes with specific responsibilities aligned to individual position descriptions.	Medium	Mar-22	Tender register maintained and check through audit process.	Medium	
41	Segregation of Duties (Financial)	Jul-21	MCC	FO	Financial	Non compliance, inaccuracy and errors, lack of accountability and possible fraud.	Poor oversight and accountability measures. Lack of administrative resources and capacity to achieve separation of duties. One person carrying out various tasks required to complete a business process with no oversight.	Prevent fraud and error by requiring more than one person to carry out the various tasks required to complete a business process.	Adequate	Possible	Major	High	Practices in place for segregation of duties. Sign off and separate passwords and functions in place. Consistently adhered to within the finance team and the functions along with other areas of payroll and HR matters.	Medium	Ongoing	Audit trails established as regularly assessed to ensure adherence to procedures.	Medium	
42	Asset Insurance	Jul-21	MCC	FO	Governance and Compliance	Exposure to significant loss and cost through lack insurance cover. Interruption to organisation productivity and delivery of services.	Lack of accountability and understanding of risk and likely loss, value and replacement costs of assets. Costly interruption to performance. Destruction of property - unable to replace. Staff not executing duties compliantly and with accuracy.	Task dedicated to specific role. Incumbent staff experience.	Adequate	Unlikely	Extreme	High	Annual review of the Asset Insurance undertaken with LGIS prior to renewals. consistent review against the Shire's assets.	Low	Annually through budget process	Continuous coverage achieved.	Low	
43	Compliance Return (DLG)	Jul-21	MCC	FO	Financial	Non compliance in performed legislative requirements and accountability in reporting.	Inexperienced staff. Overwork of existing staff - missing deadlines. Lack of accountability and diligence in meeting statutory responsibilities	Diarised for Completion. Regular Audit Committee meetings scheduled.	Adequate	Possible	Major	High	Training the EGO and Finance staff in aspects of compliance reporting. 2021 CAR review only identified two minor non compliants areas. All other areas are in line with the requirements of the CAR.	Medium	Ongoing	All reporting is returned and submitted through Smarthub to the DLGSC.	Medium	
44	Asset Management System (Fixed Asset Register - Synergy)	Jul-21	MCC	FO	Financial	Inaccorate valuations and maintenance of records distorting depreciation ratios.	Poor assessment and condition monitoring and valuation of assets. Incorrect information entered into Synergy. Lack of management oversight.	Engagement of qualified valuers and routine checking by Line Manager.	Adequate	Possible	Moderate	Medium	Fairvalue of assets perfomed every two years with updated of Asset System on a regular basis. Procedure to be routine checked to ensure accuracy of process.	Medium.	Ongoing	Routine reporting to Audit and Risk Committee	Medium	
45	Data Back Up Systems	Jun-21	MCC	AGO	IT & Record Keeping	Loss of Shire records and data rendering the organisation in-operable. Considerable cost in recovery/tre-instant and loss of productivity, and loss of historical information.	IT system failure due to technical or power issues, or cyber attack.	System back up off site to the cloud.	Adequate	Possible	Major	Severe	New IT Contract is in place to undertake the data back up which is then stored in two offsite locations.	Medium	Ongoing	Monthly arranged reporting with IT provider and oversight through external auditing	Medium	
46	IT Firewall Systems	Jun-21	MCC	AGO	IT & Record Keeping	Cyber Attack and Ransom demands. Loss of Shire records and data rendering the organisation in-operable. Considerable cost in recovery/tre-instant and loss of productivity, and loss of historical information. Power failure preventing work from being completed and staff losing productive time. Potential data loss.	Predominant cyber attack thru criminal activity.Possible loss of power supply	Firewall installed and maintained by IT Contractor under contractual assurances. Insurance cover.	Adequate	Possible	Major	High	Currently set up with IT contract services. Service provisions are in place however OAG has recognised the remote IT log in aspect requires review and a platform to be put in place. This is currently being reviewed by the IT Contractor.	Medium	Ongoing	Monthly arranged reporting with IT provider and oversight through external auditing	Medium	
50	IT Security Access Framework (Profiles & Passwords)	Jul-21	MCC	AGO	IT & Record Keeping	Cyber Attack and Ransom demands. Corruption or loss of data. Possible fraudulent activity. Loss of Shire records and data rendering the organisation in-operable. Considerable cost in recovery/tre-instant and loss of productivity, and loss of historical information.	Cyber Attack. Unsuitable or unnecessary users having access to restricted information.	Sytem generated change of passwords quarterly - VPN access measures for external log in.	Adequate	Likely	Major	High	Due to the nature of the risk there is still a possibility of breach occuring but we are taking all available actions to prevent this. 21.04.2021 - MCC - Passwords for each desktop is automatic. Passwords are held with only the officer and are not encouraged to be shared at any time. Synergy settings are set as per position title and the requirement of the access allowable.	Medium	Ongoing	Monthly arranged reporting with IT provider and oversight through external auditing	Medium	
51	Procurement Process (Purchase Order Process)	Jul-21	MCC	FO	Finance	Non compliance with statutory requirements to achieve value for money for rate payers. Possible conflicts of interest through alignment to preferred suppliers and personal gratuities repaid. Damage to coporate image.	Staff disregarding or not being aware of process regulatory requirements.	Regular review of Procurement Policy. External auditing overview.	Inadquate	Likely	Major	High	Review of purchasing policy to address risks identified under the OAG review. Further aspects of the guidelines will be continually reviewed to meet legislation.	Medium	Ongoing	Monitoring through payment of creditors on weekly basis.	Medium	
52	UPS (Emergency shutdown power source for Server)	Jul-21	MCC	AGO	IT & Record Keeping	Loss of IT performance and Administration productivity	Power failure.	Backup Generator Installed.	Effective	Likely	Moderate	High	Generator back-up power supply. Provisions also reviewed with IT Support Contractor.	Low	Ongoing	Unrecorded.		
53	Asset Management Plan	Jul-21	MIA	MIA	Infrastructure	Lack of expertise to collate, input and process accurate and relevant data in RAMM. Inability to present accurate condition of asset based on poor or no data.	Traditional mindset and lack of strategic maintenance planning. Lack of expertise and adequate resourcing. Poor prioritisation .	Review of Asset Management Framework in progress.	Inadequate	Almost Certain	Major	Severe	Finalise Assment Management Plans for each asset class. Feed information into Long Term Financial Plan. Continue to educate and upskill staff to maintain currency of asset condition assessments and routine updates of asset plans.	Severe	Dec-21	Monitored through Annual audit process. Reviewed prior to annual budget preparation	Severe	
55	Road Asset Management System (RAMM)	Jul-21	MIA	MIA	Infrastructure	Poor asset maintenance, repair and renewal leading to unservicability and performance/safety concerns. Fiscal mismanagement and accountability. Poor service delivery. Issues of non-compliance.	As above	Road data collected and input into RAMM	Inadequate	Almost Certain	Major	High	Train and upskill staff. Review RAMM data currency and update on a monthly basis.	High	Ongoing	As above	High	
56	Sewerage Treatment Plant Management	Jul-21	MIA	MIA	Infrastructure	Poor asset maintenance, repair and renewal leading to unservicability and performance/safety concerns. Fiscal mismanagement and accountability. Poor service delivery. Issues of non-compliance.	Loss of key staff, limited knowledge of infrastructure and operational compliance / documentation.	Asset investigation on infrastructure condition and regulatory requirements.	Inadequate	Likely	Major	High	Sewerage System and AMP review/audit, system tidy up.	High	Jun-22	Routine inspections of facility and reviewed annually as part of licence assessment by DWER.	High	
57	Security - Admin Building	Jul-21	MIA	BMO/ODO	Infrastructure	Unlawful and undetected access. Threatening behaviour toward Administration staff. Theft of assets and access to public/confidential information	Inadequate security of Shire Administration building. Lack of duty of care.	After hours security monitoring controls. Front counter secure barrier.	Adequate	Unlikely	Major	High	Refresh internal security procedures (e.g. Lock internal doors, change codes etc.	Medium	Ongoing	After hours security calls	Low	
58	Planned Building Maintenance (Annual)	Jul-21	MIA	BMO	Infrastructure	Poor asset Management. Increased maintenance costs. Unservicability of building facilities and housing to achieve fit for purpose status.	Lack of Asset Management Planning and condition assessment. Lack of recurrent maintenace and allocation of funding	Review of Asset Management Framework in progress. Condition assessments being conducted	Inadequate	Almost Certain	Extreme	Severe	Implement annual building inspection maintenance program under the Asset Management framework.	Severe	Ongoing	Review annually as part of the Asset Management processes.	Severe	
59	Bushfire Volunteer Management & Training	Jul-21	MCC	CESM	Emergency Services	In adequate resources to defend bushfire event compromising lives and property. Potential harm to volunteer fire fire fighters and no insurance cover if not adequately trained. Unauthorised and unfitted access. Attendance without required PPE.	Limited time and capacity of vounleers together with limited awareness and uptake.	Bushfire Management Planning, increased awareness through BFAC and arranged training sessions by CESM .	Inadequate	Likely	Major	High	Development of Bushfire Training to be carried out with the 2021/22 budget process on LGGS grant approval.	High	Jun-22	Registration of number of volunteers to perform training	High	
60	Local Emergency Management Committee (LEMC)	Jul-21	MCC	CESM	Safety and Health	Lack of understanding of role and preparation to respond to a major emergency. Inability to Shire to be effective in serving the community in a time of need. Damage to coprate image.	Lack of eduction and understanding. Lack of attendance of Committee Members. Lack of organisation around managing/overseeing currency of Local Emergency Management Arrangements (LEMA).	LEMA and Bushfire Risk Management Plans under review and being updated.	Inadequate	Likely	Major	High	Contined education of LEMC roles and responsibilities and LEMAs.	High	Ongoing	Reporting to Council and State Emergency Management Committee	High	
61	Bushfire Risk Management Plan	Jul-21	MCC	CESM	Emergency Services	Possible loss of lives and property through poor identification and implementation of effective bushfire mitigation measures.	Lack of understanding benefits and prioritisation of works. Lack of funding for implementation of mitigation measures, including community education.	Draft Bushfire Risk Management Plan prepared pending endorsement by Council.	Inadequate	Possible	Extreme	High	In progress - plan to be presented to Council for endorsement in coming months. Grant Funding to be applied on completion of plan in the 2nd round of grants. Mitigation and assessment of outcomes via the plan, identifying the risk to the organisation and the cost to council via budget considerations.	High	Jun-22	Assessment of mitigation measures forlowning each event.	High	
63	Security - Depot	Jul-21	MIA	WC	Infrastructure	Unauthorised access to a work site without appropriate PPE. Possible vandalism and/or theft.	Gates left open when premises is unattended. Lack of responsibility and duty of care. Lack of signage and surveillance.	Improved signage and security lighting.	Inadequate	Possible	Moderate	Medium	Install surveillance camera's, procedure to lock gates, enforcement on wearing PPE.	Medium	Dec-21	Routine inspections and reporting of incidents at the Depot.	Medium	

10.07.21	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING
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Nil.

11.07.21	CLOSURE OF MEETING
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There being no further business, the presiding member declared the meeting closed at 3.02pm.