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KEY

Completed
Almost Complete
Commenced
Yet to Commence

Changes since last reporting period

6.2.14 - Appointment of Acting Chief Executive Officer Policy E5.8	Almost Complete → Completed
6.2.3 - Public Question Time Policy No: A22	Almost Complete → Completed
8.2.1 - Risk Register	Commenced → Completed
6.2.13 - Policy Publication	Commenced → Completed
7.2.1 - Risk Management Procedures	Commenced → Completed
7.2.2 - Operational Procedures	Commenced → Completed
7.2.4 - ICT Risk Evaluation	Yet to Commence → Completed
7.2.5 - Access to Shire Facilities	Commenced → Completed
7.2.6 - Segregation of Duties and Internal Controls	Commenced → Completed
8.1.1 - Council and Committee Minutes	Almost Complete → Completed
8.1.2 - Council and Audit Risk Committee	Yet to Commence → Completed
8.2.3 - Register of Hazardous Materials	Almost Complete → Completed
8.2.6 - Swimming Pool Inspection Register	Almost Complete → Completed
8.6.1 - Audit Regulation 17 Review	Commenced → Completed
8.6.2 - Financial Management Review	Commenced → Completed
	Yet to Commence→ Commenced→Almost Complete→Completed

6.2.6 - Payments To Councillors Policy No: C3

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	Elected Member Entitlements Policy updated and endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623 and practices updated.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Payments To Councillors Policy No: C3	Policy to outline the support that will be provided to council members through the provision of equipment, payment of allowances, reimbursement of expenses incurred.	6.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy sets out an allowance in lieu of reimbursement for information technology expenses. The amount set by the policy does not align with the amount set at the most recent review by Council, and does not align with the allowances paid to elected members for ICT expenses.	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy, ensuring alignment is maintained with the provisions of the most recent determination published by the SAT. Consider limiting the level of detail within the policy to support the review of allowances, fees and payments to elected members as resolved by Council annually.

6.2.10 - Purchasing Policy No: F16

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Outdated policy supplied during review process. The updated Purchasing Policy which was adopted 16/09/22 included contract variations as per point two in the "Mitigation and Management Strategy." An updated Purchasing Policy Draft was endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623 and practices updated.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Purchasing Policy No: F16	Policy providing a best practice approach and procedures for purchasing. Ensure consistency for all purchasing activities that integrates with all operational areas. Requires compliance with the Local Government Act 1995 and Local Government (Functions and General) Regulations 1996.	6.2.10

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Authorisation for a sole source of supply arrangement considered under the policy is not defined. The policy provides some direction regarding contract variations and extensions, however provides limited guidance where associated price changes change the purchase value threshold. The policy should ensure appropriate controls exist to minimise opportunities to circumvent purchasing threshold requirements through application of variations and extensions. Purchasing requirements for procurement of goods or services in accordance with the exemptions under Local Government (Functions and General) Regulations 1996 Regulation 11(2), are not consistent within the policy. The CEO is required to ensure controls exist for all purchases including those made using these exemptions. It is noted the practice of testing the market through sourcing multiple quotations when using the exemptions is often occurring, and the policy should be updated to reflect the expectation and requirement, regardless of whether the quotations are being sought from pre-qualified suppliers, WALGA Preferred Supply Contracts or other suppliers. The policy makes reference to pre-qualified suppliers and instances where pre-qualified suppliers are to be given priority for purchasing activities. This	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Amend the policy to provide the following: • Amend policy to require CEO approval under sole source of supply arrangements, and to reference the risks and control environment where considering these arrangements. • Consideration to purchasing requirements for the issuing of contract variations and extensions should be included to circumstances where the contract value increase over a policy threshold level, due to the variation or extension. • Amend purchasing requirements for procurement of goods or services to be consistent regardless of where the quotations are being sought from, including those made under the exemptions under Local Government (Functions and General) Regulations 1996 Regulation 11(2). • If a separate prequalified supplier policy is not intended to be developed and adopted, references to pre-qualified suppliers should be removed from the policy to avoid confusion and non compliance in executing policy requirements. • Publish the current, up to date purchasing policy on the official local government website as required by legislation.

may cause confusion for users of the policy. The Shire do not have a policy relating to pre-qualified suppliers, and entering into such an arrangement may not comply with legislation. The current policy is not published on the official local government website as required by legislation.		

6.2.14 - Appointment of Acting Chief Executive Officer Policy E5.8

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	No	Yes	18/10/2023	New draft policy to incorporate recommendations. To be endorsed by policy review committee before going to Council for adoption. An updated Purchasing Policy Draft was endorsed by Policy Committee 18/10/23. Tabled at Council on 18/10/23. **Policy adopted as per RES 171023.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Appointment of Acting Chief Executive Officer Policy E5.8	Policy to provide for the appointment of a suitably qualified Acting CEO during limited absences of the Chief Executive Officer, in accordance with the provisions of the *Local Government Act 1995.*	6.2.14

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The current policy provides for the appointment of an Acting CEO for period not exceeding six weeks. It does not address the following matters as required by legislation: • Scope to determine 'suitably qualified' persons to act as CEO; • Requirements in the event appointment of an Acting CEO will be required to exceed a term of four weeks; and • The amount of remuneration to be paid to an Acting CEO is not detailed within this policy. This presents a risk of legislative non-compliance due to a payment to an acting CEO not being in line with the salary bands set by the Salaries and Allowances Tribunal (SAT).	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy to sufficiently address compliance with section 5.39C of *the Local Government Act 1995* and publish on the Shire's website.

6.2.19 - Ongoing Elected Member Professional Development Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Continuing Professional Development Policy was endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623 and practices updated.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Ongoing Elected Member Professional Development Policy	A policy to ensure equitable access to ongoing professional development and training opportunities to enable elected members to fulfil their function and perform the duties required of them under the Local Government Act 1995.	6.2.19

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
At the time of our review, no policy on Ongoing Elected Member Professional Development had been adopted by Council.	Invalid or Ineffective Policy, Compliance Breach	Develop and adopt a policy for Ongoing Elected Member Professional Development to comply with section 5.128 of the Local Government Act 1995. Publish the policy on the Shire's website as required.

7.1.1 - Code of Conduct for Employees, Volunteers and Contractors

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	No - Employee Code of Conduct will be completed once consultation period finishes on 30 June 2023.	Yes	17/03/2021 - Elected Member Code of Conduct 30/03/2023 - Employee Code of Conduct **18/07/2023 - Email confirming adoption of Employee Code of Conduct. Uploaded to website.**	• The current version of the code of conduct for council members, committee members and candidates (as adopted by Council on 17 March 2021 as per Resolution No. 160321) was published to the Shire's website on 30 March 2023 and may be accessed on the Shire's website at https://www.koorda.wa.gov.au/council/council-policies-and-procedures/code-of-conduct.aspx • The preparation and implementation of an interim code of conduct to be observed by employees of the local government was completed on 30 March 2023 as evidenced by the attached copy of an email sent to all Shire employees. In addition, a copy of the Interim Shire of Koorda Code of Conduct for Employees was published on 30 March 2023 accessible at https://www.koorda.wa.gov.au/documents/20230/shire-of-koorda-interim-code-of-conduct-employees The adoption of an interim Shire of Koorda Code of Conduct for Employees (the Code) was in the interests of fairness, transparency and particularly clauses 1.4 (Our Values) and 1.5 (Our Commitment to Each Other and Our Community) of the Code, on a 3-month basis (i.e., to 30 June 2023) to allow for employee consultation, comment, any amendment and leading to adoption (and subsequent website publication) of a final version from 1 July 2023. **Email sent to all employees with adopted "Code of Conduct - Employees" on 18/07/2023 with draft operational policy "E - Employee Secondary Employment"**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	Code of Conduct for Employees, Volunteers and Contractors	To provide guidance to employees, of enforceable rules and requirements as prescribed in relevant legislation.	7.1.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Regulations gazetted on the 3 February 2021 introduced minimum requirements for an Employee Code of Conduct and introduced a model Code of Conduct for Council Members. At the time of our review, the Code of Conduct for Employees had not been developed as required (by 3 May 2021), with the existing Code of Conduct still being utilised for employees.	Failure to identify risks or adequately treat identified risks. Compliance breach	Develop a new Code of Conduct for employees and contractors as required by legislation and undertake a re-induction with all employees. Ensure the updated Code of Conduct is published on the official local government website as required by section 5.51A of the Local Government Act 1995.

7.1.4 - ICT Strategic Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To work with ICT Providers in drafting and implementing an ICT Strategic Plan.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	ICT Strategic Plan	Plan to guide the future development and delivery of ICT services and address the handling of ICT disaster recovery.	7.1.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
An ICT Plan highlighting and addressing ICT risks and how they are to be addressed was not available for inspection. Presently a single consultant is engaged to provide IT support services and advice regarding security, etc. A high level of risk exists by engaging a single entity to provide all IT services.	Lack of strategic direction for implementation of internal controls.	Develop an ICT Strategic Plan, identifying and documenting key ICT risks, along with the treatments to reduce the risk to an acceptable level. Utilise the strategy to assist in considering the risks of utilising one single IT provider, and to assist in developing a scope to articulate service level agreements for a range of IT services to be potentially issued to different providers. Consider implementation of routine review and verification of skills, competencies, qualifications and experience for IT service providers.

7.2.1 - Risk Management Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	Policy - 28/06/23 LGIS workshop - 21/09/23 Strategy	New Risk Management Policy to be adopted by Council 28/06/23. Following Risk Register Workshop facilitated by LGIS on 21/09/2023, a Risk Management Strategy is to be tabled at the Audit & Risk Committee Meeting held 18/12/2023.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Risk Management Procedures	Procedures and practices to set out a uniform approach to the identification, assessment, management, reporting and monitoring of risks.	7.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Risk management activities currently undertaken are largely undocumented with existing procedures based on a superseded risk management standard. These activities are sometimes performed independently within individual departments which may not align with desired risk management practices	Failure to identify risks or adequately treat risks	Risk management procedures be updated, and a process developed in accordance with any update to the risk management policy to ensure procedures align to the policy. Communicate throughout the organisation any updates to risk management procedures and processes to assist with routine and consistent applications in accordance with adopted policy. A key function of the Audit and Risk Committee should be to review updates to risk reports, as well as to monitor and evaluate risks, particularly where changes occur. Risk reports and updates should be routinely reported and reviewed by the Audit and Risk Committee.

7.2.12 - Electronic Banking Transactions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	15/06/2023	Further procedures have been created to ensure compliance with the 15-minute window between audit trail production and ABA upload to the bank. Additional receipt printed from banking transaction to show time stamps to marry up with the audit trial creation.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Electronic Banking Transactions	Process to reduce opportunity for fraudulent activity with electronic banking.	7.2.12

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted access to the ABA file from the time of generation to the time of upload to the bank is not adequately restricted, with a limited verification process undertaken to ensure the ABA file is unmodified when uploaded to the bank. This presents a risk where fraudulent manipulation of the ABA file may occur.	Breakdown of internal controls, financial and fraud risk	Improve controls to minimise the risk of electronic banking details being fraudulently manipulated through secure storage of ABA banking files. Controls should exist to restrict access to these files, and to detect and prevent any unauthorised changes being made.

7.2.13 - Changes to Banking Details

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Finance Officers	Yes	Yes	01/05/2023	Creditor Update and Application Form has been amended to include a call back to confirm bank details for new suppliers, and for any updates, a call back using phone details on record. Audit Trails are produced with each creditor pay run to confirm details of any changes and is reviewed by two officers. The DCEO produces an audit trail on a monthly basis as per end of month processes and verifies changes and details.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Changes to Banking Details	Controls to validate banking change requests.	7.2.13

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We identified weaknesses in the formal procedure to change employee and supplier banking details due to some limitations to segregation of duties.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	Formal procedures relating to changes to banking details for employees and creditors should be updated to ensure sufficient controls exist in both substantiating the change request and the changes performed within the Shire's ERP system. Review and update procedures to ensure the following matters are appropriately considered, documented and controls are adequate to: • Validate the change request and its origin; • Authority exists for the change request; and • Validate and control the changes once completed.

7.2.18 - Security Controls for Cash Handling

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Cash handling procedures to be written. As per the planned Risk Workshop with LGIS, cash handling will be identified in the register for solutions to reduce/mitigate any likely risks. A draft Risk Management Strategy will be recommended for adoption to determine the likelihood, consequences and risk of various Council activities to assist staff in determine the correct level or risk management per activity.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Security Controls for Cash Handling	Procedures and systems for the handling of cash at Shire facilities.	7.2.18

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Security controls for cash held at various facilities are considered inadequate. Controls are not consistently documented to ensure appropriate review and authorisation processes occur in relation to the management and handling of cash by staff and contractors.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk	Ensure access to any cash held is restricted only to authorised personnel through secure storage. Implement appropriate documented procedures and controls for cash maintained by staff and / or third parties (such as contractors). Processes should also include reference to insured amounts relating to cash, to ensure adequate insurance levels are maintained relating to cash.

7.2.24 - Record Keeping Practices

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Records				As part of the Policy Review, a review/update of the Record Keeping Policy will be undertaken and will flow through to the creation of admin procedures.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.2	Record Keeping Practices	To demonstrate compliance of record keeping systems and practices with legislative requirements.	7.2.24

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Staff representations indicate electronic records are stored in various locations such as shared drives, rather than the Shire's electronic document and records management system (EDRMS). Where compliance with required record keeping controls is low, information may become compromised where deletions, loss and compromised security or confidentiality of records may occur. Based on our enquiries with staff, no regular refresher training for the use of the records system is currently in place to support and direct staff to the appropriate procedures to save records in accordance with the Shire's record keeping plans and policies. This may increase risks associated with compliance with required record keeping controls. Where compliance with required controls is low, information may become compromised in that deletions, loss and compromised security or confidentiality of records may occur. Control procedures within the EDRMS relating to record preservation and disposal of records are considered inadequate. Current controls are heavily reliant on staff awareness of errors within the EDRMS generated disposal dates, and application of manual system override and review to manage compliance.	Breakdown of internal controls, Failure to identify risks or adequately treat identified risks, compliance breach	Review, update and communicate procedures for the record keeping practices and enforce individual accountability for compliance with established procedures. Where compromised controls relate to software errors, enforcement of contract obligations and service delivery should be undertaken as a minimum. If the Shire's EDRMS is not correctly generating record disposals, urgent consideration should be given to alternative programs or controls to provide an appropriate level of review to detect errors and ensure compliance with disposal of vital records.

7.3.1 - Employee Identity and Credentials

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	Yes	Yes	01/07/2023	**WALGA & OAG templates used to create Shire of Koorda new employee forms.** OAG & WALGA Guidelines downloaded. DCEO & Payroll Officer working to create new induction forms and checklists to ensure verification undertaken with new employees. Areas identified as part of Workforce Plan 2022-2025 (1.3, 4.2 & 4.4)

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.3	Employee Identity and Credentials	Systems and controls for screening of new employees and monitoring existing employees for changes in their circumstances which may impact their employment.	7.3.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Practices and procedures for verifying employee identity, right to work in Australia, verification of employment history and qualifications are not consistently applied or documented.	Breakdown of internal controls Controls reliant on the capability and honesty of staff	Develop, implement and maintain appropriate policies and procedures to reduce the risk of unqualified or unsuitable staff being employed by the Shire, in line with the Western Australian Auditor General's Report in June 2019 relating to Verifying Employee Identity and Credentials.

8.2.2 - Contracts Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To explore contract registers and look at creating a register to track current contracts.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Contracts Register	Provide a record of contracts entered into by the Shire.	8.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A contracts register was not available for our inspection detailing the status of contracts held by the Shire.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Maintain a register to record details of all contracts (current and expired) and their status in a form to assist with ensuring contracts are monitored and actioned as required and reflecting the value of the contracts.

8.2.4 - Financial Interest Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/ DCEO/ Governance	Yes	Yes	01/06/203	Noted. Section highlighted to ensure it is not missed on form in the future. WALGA procedure template downloaded and will be followed for annual returns, and any primary returns required following the upcoming Council Election and delegation changes. **All details entered properly and checked prior to acknowledgement for returns received for the period ending 30 June 2023.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Financial Interest Register	Records details required under the Act relating to financial circumstances of relevant persons.	8.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted primary returns were completed for three relevant persons where the returns did not record start dates. We were unable to verify the returns have been completed within three months of the documented start date.	Breakdown of internal controls, Compliance breach	Establish procedures to ensure all returns are properly completed at the time of providing acknowledgement of receipt of the returns.

8.2.5 - Delegation Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	17/05/2023	Delegations register was adopted by Council on 17/05/2023 as per Resolution 090523. **Letters issued to staff regarding delegations. Delegation Register report included in Councillor Information Report presented to Council following Council Meetings.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	8.2	Delegation Register	Statutory register of delegations of authority.	8.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Likely	Moderate	Moderate	Moderate	**High**	**Prioritised action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The review/amendment history recorded within the delegations register has not been updated to note most recent reviews. Our testing identified a number of issues with several delegations. We noted common occurrences where: • The delegation is suitable for 'acting through'; • The delegation replicates existing policies (and detail within each may cause conflict between the delegation and the policy); • The delegation is not a decision or power of Council; and • The delegation contains information not aligned with relevant current legislation. Several CEO sub delegations are included to an officer. The individual currently performing the duties noted within the delegation is contracted, and is not an employee of the Shire, therefore cannot be delegated authority the Local Government Act 1995. The formatting and presentation of delegations is inconsistent and presented in alternative formats for some delegations. Maintaining a consistent format across all delegations allows for better controls for their review and maintenance.	Breakdown of internal controls, Failure to identify risks or adequately treat identified risks. Invalid Delegation	Following review of Delegations by Council, update the latest 'history' date on each delegation to provide an accurate record of when the delegation was reviewed, amended and adopted. Review and update the delegations register to ensure delegations are appropriate and consistent with relevant legislation. Amend and update to ensure delegation and policy limitations are aligned. Systems and procedures should be in place to ensure consistent alignment to policies and other external references is achieved during reviews. Review the register of delegations to ensure all delegations made to the CEO and employees are correctly recorded as required by section 5.46(1) of the Local Government Act 1995. Review and amend delegations to maintain a consistent format and structure across all delegations.

6.2.1 - Policy Change and Review Policy No: A15

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Policy Change and Review Policy endorsed by Policy Committee 12/06/2023. To be tabled at Council on 28/06/2023. **Policy adopted as per RES 120623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Change and Review Policy No: A15	Routine review of Policies to help ensure they remain current.	6.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Policies are required to be reviewed biennially by Council, following each ordinary local government election, to help ensure they remain current. The policy manual has not undergone a review as required.	Invalid or Ineffective Policy, Compliance Breach	Following review of policies by Council, continue to maintain document control history on the policy to provide evidence and an accurate record of when the policy was reviewed, amended and adopted. Review systems and processes to ensure policy reviews occur as set out by the policy, and to maintain compliance with legislation for specific policies as required.

6.2.2 - CEO Performance Review Policy No: A21

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	CEO Performance Review Policy endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	CEO Performance Review Policy No: A21	Framework to provide effective communication between an employee and employer to measure performance, identify training needs and improve effectiveness and efficiency in the workplace.	6.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Linkages between the policy and adopted model standards relating to CEO performance reviews are not clear. It is noted the model standards were adopted in March 2021, however the policy has not been updated to align with the adopted model standards.	Invalid or Ineffective Policy, Compliance Breach	Review the policy to ensure alignment with adopted model standards. Alternatively, consider rescinding the policy if adopted model standards provide the required guidance.

6.2.3 - Public Question Time Policy No: A22

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	Yes	Yes	18/10/2023	**Public Question time included in "Council Meeting System" Policy endorsed by Policy Committee and Council on 18/10/2023.** **RES 171023.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Public Question Time Policy No: A22	To provide a process which will address questions by the public in a timely manner.	6.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The process for public question time within the current policy (adopted 19 July 2000) does not align with all requirements of the Shire's Standing Orders Local Law 2017.	Invalid or Ineffective Policy, Compliance Breach	Update the policy to align with the Shire's Standing Orders Local Law 2017.

6.2.4 - IT Equipment Including Tablets, Smart Phones and Computers Policy No: A44

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	Yes	Yes	28/06/2023	**Section 3.3 of Policy "Elected Member Entitlements" covers IT Equipment for Elected Members. In regard to ICT, other FMR Actions are more specific to; Strategy, Disaster Recovery, Security and Risk.** As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	IT Equipment Including Tablets, Smart Phones and Computers Policy No: A44	Policy to guide the future delivery of ICT services and equipment needs.	6.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Policy content may be outdated and therefore not sufficient to address current ICT risks.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update policy content to align to risks, and future needs of the Shire's ICT environment. Development of an ICT Strategic Plan may assist to identify relevant policy inclusions.

6.2.5 - Email Use Policy No: A45

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	17/04/2023	Internet, Email Usage and Access to IT System Policy endorsed by Policy Committee 17/04/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Email Use Policy No: A45	To ensure that the Shire's investment in computer hardware, software and services is used in the most productive manner to the greatest possible benefit of the Shire.	6.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Content of policy does not adequately consider current ICT risks and does not adequately provide for acknowledgement or acceptance of conditions of usage.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update the policy to a more general ICT usage policy and ensure all users agree to the usage terms and conditions. Systems and controls may be required to monitor policy acknowledgement / acceptance, and to integrate the policy into general operating procedures and record keeping requirements.

6.2.7 - Investments Policy No: F1

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee				As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes. Policy mostly drafted for referral to Policy Review Committee.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Investments Policy No: F1	To adopt a prudent approach to investments, in full compliance with all statutory requirements.	6.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy contains a reference to fair value accounting and asset valuations, and it is unclear what alignment the statement has to investments.	Invalid or Ineffective Policy, Compliance Breach	Review and update the policy to provide for investments to align with regulatory requirements, and to include appropriate considerations to monitor and support control procedures required by Regulation 19 of the Local Government (Financial Management) Regulations 1996.

6.2.8 - Asset Valuations in Accounts Policy No: No: F11

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	To propose rescind at Council on 28/06/2023 **Policy rescinded as per RES 140623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Asset Valuations in Accounts Policy No: No: F11	To ensure compliance with Fair Value Regulations while keeping costs at a minimum.	6.2.8

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Formalisation of policies relating to asset accounting may result in a conflict with the Australian Accounting Standards. To avoid conflict with the standards and legislation, the policy should not include legislative and standards requirements and should enhance these requirements or provide a policy decision where an accounting standard allows a policy choice.	Invalid or Ineffective Policy, Compliance Breach	Consider rescinding the policy and adopt accounting policies annually within the annual statutory budget.

6.2.9 - Review of Financial Management Systems Policy No: F15

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	To propose rescind at Council on 28/06/2023 **Policy rescinded as per RES 140623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Review of Financial Management Systems Policy No: F15	To keep abreast of technological change.	6.2.9

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The policy statement provides for the CEO to negotiate with Council's auditors to review financial management systems every four years. The review frequency required by legislation is every three years. To avoid conflict with legislation the policy should not restate legislative requirements, but rather should enhance these requirements.	Invalid or Ineffective Policy, Compliance Breach	Rescind the policy.

6.2.11 - Corporate Credit Card Use Policy No: F18

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Corporate Purchasing Card Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Corporate Credit Card Use Policy No: F18	Policy to regulate the use of corporate credit cards issued to employees.	6.2.11

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The limit stated within the policy relating to the CEO's credit card does not align with the card limit noted during our testing. Where appropriate invoices / receipts to support card transactions are not available, the policy sets out how income tax credits are to be managed relating to credit card transactions. The policy does not however set out how those purchases are to be substantiated, reported, reviewed and authorised where a valid tax invoice is not available. The policy contains a specific reference to a set monthly bank / credit card charge. Detailed reference of this nature within the policy may result in the policy becoming outdated and non-compliant as changes to bank fees occur.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Amend the policy to ensure alignment with current practices. When reviewing the policy, consider the required level of detail to be specified within the policy to address relevant identified risks. Update the policy to include guidance to support purchases where a valid tax invoice is not available. This should include appropriate consideration to identify the purchase and provide for robust control and review processes prior to payments being deducted through automated bank payments. Review the policy to remove detailed references where appropriate, to minimise the risk of policy non-compliance and outdated references.

6.2.12 - Risk Management Policy No: R4

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Risk Management Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Risk Management Policy No: R4	Policy to set out the Shire's approach to articulate its commitment to Risk Management.	6.2.12

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The current policy is based on a superseded risk management standard AS/ NZ ISO 31000:2009.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Develop and adopt a risk management policy to align to Risk Management Standard ISO 31000:2018.

6.2.13 - Policy Publication

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	28/06/2023	**Have provided access to up to date policies of Council. Indexing of policies improved and published on the website.** A new page on the Shire Website has been created for updated policies. Once the policies are updated and adopted, they will be uploaded to the website as per the below link. https://www.koorda.wa.gov.au/council/council-policies-and-procedures/policies.aspx

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Publication	To provide access to current and consolidated policies of Council.	6.2.13

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Some adopted policies are maintained individually in a folder on a shared server drive, rather than in consolidated policy manual document. We also noted not all policies of Council are published on the official local government website as required by legislation. The formatting and presentation of policies is inconsistent and presented in alternative formats within different policies. Maintaining a consistent format across all policies allows for better controls for their review and maintenance.	Invalid or Ineffective Policy, Compliance Breach	To provide access to up to date policies of Council, improve the indexing of policies for better identification and access. Publish policies on the Shire's official website as required by regulation 29C (2)(c) of the Local Government (Administration) Regulations 1996. Review and amend policies to maintain a consistent format and structure across all policies.

6.2.15a - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15a

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes: • A1 Administrative Structure; • A2 Record Keeping; • A12 Sexual Harassment; • A32 Approval to the Use of Sale of Liquor; • A34 Car Rallies; • A36 Dog Control – Authorisations Under the Dog Act 1976; • A43 Plant, Equipment and Vehicle Purchases; • A44 IT Equipment Including tablets, smart phones and computers; • A45 Email use; • A46 Internet and WIFI/LAN use; • A48 Social Media Policy; • B2 Bush Fire Prosecutions; • B3 Bush Fire Courses; • B4 Bush Fire Permits; • B5 Fire Control Officers; • B6 Harvesting Ban Officers; • B7 Harvesting Ban Procedure; • B9 Extension of Burning Periods; • B10 Banning of Cooking and Campfires within the Shire of Koorda; • B11 Bush Fire – Burning to Protect Dwellings; • B12 Bush Fire Fighting Equipment – Financial Assistance;	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.

6.2.15b - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15b

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes: • B13 Bush Fire – Roadside Burning; • B14 Control of Fires – Forward Control Points; • B15 Bush Fire Radio and Call Out Networks; • C15 Annual Christmas Employee Functions; • E1 Police Clearance Checks; • E2 Medical Clearance Checks; • E3 Employee Incentives; • E4 Employee Use of Council Property; • E4a Employee Use of Council Property - DCEO/MoFA Administration Vehicle; • E5 Leave – Outside Workforce; • E6 Gratuitous Payments to Employees; • E7 Employee Annual Christmas Bonus; • E8 Employee Terms and conditions; • F2 Payments of Accounts; • F12 Provision for Long Service Leave and Sick Leave; • F14 Rates – Procedure of Collection; • P3 Conditions of Hire to be acknowledged; • P5 Swimming Pool Opening Times; • P10 Playground Equipment; • R1 Occupational Safety, Health and Welfare;	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.

6.2.15c - General Policy Actions

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	General Policy Actions	To set out parameters for the implementation of policies.	6.2.15c

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted the content of several council policies which may be operational in nature. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some policies where this may occur includes: • R3 Injury Management and Rehabilitation; • R5 Consultation and Communication; • R7 Contractor Management; • R8 Volunteer Management; • S1 Safety and Health; • S2 Personal Conduct; • S3 Personal Protective Equipment; • S4 Road Works; • S5 Plant and Equipment Responsibilities; • S6 Use of Equipment; • S7 Tree Pruning; • S8 Drugs and Alcohol; • W7 Private Works; and • W8 Private Works – Service/Sporting Clubs.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Review and update these policies to consider the appropriate separation of the roles of the council and the CEO. Consider review and update of policies to articulate the strategic direction of Council, particularly where legislation does not provide such direction.

6.2.16a - Policy Reference to Legislation and External Information

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Policy Reference to Legislation and External Information	To support the link between Council policy, legislation and other information sources.	6.2.16a

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted several policies contain specific detail relating to legislation and other external references, including: • A2 Record Keeping; • A13 Media Statements/Interviews; • A14 Instruments of Delegation; • A15 Policy Change and Review; • A21 CEO Performance Review; • A24 Electors Meeting Date; • A35 Permit Vehicle Approvals; • A39 CEO to Enforce Act; • A40 Exercise Powers Under Part 3; • A47 Meeting attendance – CEO Matters; • B8 Burning Periods; • B9 Extension of Burning Periods; • B15 Bush Fire Radio and Call Out Networks; • C1 Councillor Information Requirements; • E8 Employee Terms and conditions; • F2 Payments of Accounts; • F3 Amending the Rate Record; • F9 Community Recreation Facilities Funding; • F15 Review of Financial Management Systems; • F16 Purchasing Policy; This practice may result in conflict between the policy and legislation or guidance in the instance of a change in legislation, guidance, or other external references. We noted a number of policy references are currently outdated in their current policy format.	Invalid or Ineffective Policy, Compliance Breach	Update policies to remove specific and / or detailed references to legislation and other external references to assist with appropriate alignment and consistency in Council policies is maintained.

6.2.17 - Legislative Compliance Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	Legislative Compliance Policy endorsed by Policy Committee 12/06/23. To be tabled at Council on 28/06/23. **Policy adopted as per RES 120623.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Legislative Compliance Policy	A policy to evidence Council's commitment to balancing the cost of legislative compliance with the extent of compliance requirements, and its importance to the organisation.	6.2.17

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no policy on internal legislative compliance has been adopted by Council.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	Development and adoption of a legislative compliance policy may help formalise Council's commitment and approach to legislative compliance.

6.2.18 - Internal Control Policy

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	Yes		As per Resolution 041122 from the November 2022 Council Meeting, this action item will be incorporated as part of the Policy Review Progress. As Staff and Policy Review Committee are currently undertaking a full Policy Manual Review, all policies will be looked at, and recommendations from the FM & Reg 17 Review Report will be considered when drafting policy amendments/changes.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	6.2	Internal Control Policy	A policy to evidence Council's commitment to balancing the cost of internal controls with the extent of the control environment and their importance to the organisation.	6.2.18

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no policy on internal controls has been adopted by Council.	Failure to identify risks or adequately treat risks, Invalid or Ineffective Policy	We suggest an internal control policy be formulated and adopted to formalise Council's commitment and approach to internal controls, based on a risk management process.

7.1.2 - Business Continuity Disaster Recovery Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Following the LGIS Risk Workshop and the development of a risk register, risk strategy and risk ratings, the EMT will investigate a business continuity disaster recovery plan based off the identified risks.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	Business Continuity Disaster Recovery Plan	Plan to facilitate organised decision-making in the event of a major incident impacting the Shire's ability to continue normal operations.	7.1.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A Business Continuity Plan was not available for our review. A Disaster Recovery Plan has been developed, primarily focussed on ICT systems. Although ICT systems are an important element to business recovery in the event of a major business disruption, it is only one element to be considered within business continuity planning.	Failure to adequately manage a business disruption event Failure to identify risks or adequately treat risks	Develop a Business Continuity Plan to include business continuity considerations other than ICT systems. The plan should facilitate organised decision making in the event of any major disruption impacting the Shire's ability to continue normal operations, with testing involving relevant and key personnel to ensure validity of the identified risks and treatments within the plan.

7.1.3 - ICT Disaster Recovery Plan

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To work with IT providers, once the Risk Management Policy is adopted and risk ratings have been set, to ensure plan is up to date and considers the current risks. Once updated, investigate testing of the plan to ensure validity.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Entity Wide	7.1	ICT Disaster Recovery Plan	Plan to address the handling of ICT disaster recovery.	7.1.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
An ICT Disaster Recovery Plan has been prepared and was last reviewed in August 2020. At the time of this review, the plan had not yet been tested. The risk assessment within the plan identifies several risks. It is not evident from the plan what risk management framework was utilised for the assessment of the risks. Risk treatment plans to reduce risk levels are considered in the plan, however there is no evidence to indicate that these actions have been undertaken or progressed further.	Failure to adequately manage a business disruption event Failure to identify risks or adequately treat risks	Review and update content of the Disaster Recovery Plan to ensure relevancy and currency to the Shire. Maintain, review and test the plan to ensure validity. The plan should also align with the Shire's adopted risk management policy.

7.2.2 - Operational Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	01/07/2023	Fairly comprehensive procedures and checklists already exist for tasks and practices. To review following policy review process to ensure compliance with policies and delegations. **Operation procedures reviewed regularly/when tasks are being complete. To ensure role continuity, new operational procedures are written to ensure all staff are able to process enquiries/applications etc when key staff are away.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Operational Procedures	To provide direction to staff in the delivery of day-to-day operational tasks, as well as guidance for expected processes, systems, and controls to be maintained.	7.2.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Procedures are not formalised for some key operational functions throughout the Shire. Workflow process diagrams and checklists may assist to create a visual representation of a process, clearly identifying key points of control and responsibility to be evidenced and independently reviewed. Where appropriate, these may be complemented by clearly articulated descriptive documented procedures.	Lack of strategic direction for implementation of internal controls	Undertake a review of existing operational procedures, and where required develop and implement additional procedures, to provide operational guidance aligned with adopted Council policies and legislation. Procedures should provide for activities not necessarily covered by legislation to communicate expected standards to staff from management. Development of documented procedures and checklists, and / or workflow process diagrams may assist in clearly identifying controls and processes to be followed.

7.2.3 - ICT Security

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To investigate suppliers who can undertake a comprehensive and independent IT Security review.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	ICT Security	Procedures and practices to ensure the security of IT information, systems and data.	7.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted limited controls in relation to the access to IT systems, including physical access to hardware. Some levels of permissions have been established to control network access to software and data, however this is largely undocumented.	Failure to identify risks or adequately treat identified risks. Controls reliant on the capability and honesty of staff	Undertake a comprehensive independent IT security review, document current policies and practices, and implement findings of the review. This review should be undertaken by those with the appropriate expertise, skills, qualifications and credentials. Consider implementation of routine review and verification of skills, competencies, qualifications and experience for IT service providers.

7.2.4 - ICT Risk Evaluation

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	21/09/2023	IT Risks identified and included in the Risk Register Workshop facilitated by LGIS on 21/09/2023. To work on any policies/procedures following on from identified risks and identified areas of improvement.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	ICT Risk Evaluation	The evaluation of risk in the overall security policy, general ICT and applications.	7.2.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
No formal evaluation process of the risks associated with the overall security procedures, general ICT and application controls is in place. We also noted formal risk treatment plans do not appear to be in place in relation to risks associated with changes to the IT systems.	Failure to identify risks or adequately treat identified risks. Controls reliant on the capability and honesty of staff	Develop evaluation systems and registers to evaluate, monitor and resolve risks related to the Shire's ICT environment. Controls should appropriately manage changes to the ICT system to ensure continuous and uninterrupted functionality of the ICT environment.

7.2.5 - Access to Shire Facilities

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
WS/CEO	Yes	Yes	13/11/2023	Depot Auto Gates installed inline with 2023/24 Budget. Self-closing to ensure restricted access to Shire personnel.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Access to Shire Facilities	Ensure access to Shire is restricted to only personnel who are authorised.	7.2.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted limited physical access security measures to some Shire facilities. The risk associated with this is not documented, measured or recorded appropriately to verify whether treatment plans have reduced the perceived level of risk to the Shire.	Failure to identify risks or adequately treat risks	Ensure adequate physical access security measures to prevent unauthorised individuals from accessing facilities are appropriately documented. Risks and their treatment plans should be recorded in a risk register to communicate the risk, aligned to the Shire's adopted risk management policy and framework.

7.2.6 - Segregation of Duties and Internal Controls

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/CEO	Yes	Yes	01/07/2023	As per recommendation to endorse an Internal Control Policy, and the Fraud and Corruption Policy being tabled at Council on 28/06/2023, EMT will continue work on ensuring policies and procedures are relevant and up to date to mitigate the risks with regard to segregation of duties. **Internal processes have changed to segregation of duties to practices. To continue to monitor to ensure segregation/reviews are taking place.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Segregation of Duties and Internal Controls	Controls to minimise opportunities for collusion or fraud to occur, reduce the risk of errors and improve oversight and compliance with adopted policies and procedures.	7.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We note segregation of duties occurs for a number of key roles, however we observed through our testing instances where resource constraints prevented these controls being consistently applied. Where a single individual is responsible for or involved in multiple stages of various processes, there is an increased risk and opportunity for error or misconduct.	Breakdown of internal controls, financial and fraud risk. Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Interventions should be available at various stages for a number of operational functions, including routine independent reviews of controls to ensure they are being observed and maintained as required. Where resourcing constraints exist, other considerations should be applied such as training and engaging officers within the organisation who may not normally be involved in these processes, to assist with checks and controls, or engaging independent parties to provide sufficient levels of oversight. These controls should also be reflected in adopted policies and approved procedures.

7.2.7 - End of Month Processes

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	No	Yes		End of month processes are being prepared by the DCEO and reviewed by the CEO. To implement a system to show evidence the reviews taking place.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	End of Month Processes	Processes for the completion of tasks and evidencing key points of control.	7.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
End of month processes appear to exist and from staff representations are routinely performed, however there was no evidence of procedures or review by an authorised officer independent of preparing/collating documentation.	Breakdown of internal controls, Controls reliant on capability of staff.	Review of reports prepared each month is a useful mechanism to detect and rectify errors or anomalies which may exist. It also provides an opportunity to ensure staff are performing and reporting duties as required. Management are strongly encouraged to continue with the development of documented checklists and procedures to demonstrate appropriate controls and reviews are in place.

7.2.8 - Outstanding Purchase Orders

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/Finance	Yes	Yes	01/05/2023	Part of end of month procedure to produce outstanding PO report and review and investigate any anomalies.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Outstanding Purchase Orders	Process to ensure invoices are being processed in a timely manner and in accordance with the purchasing policy.	7.2.8

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We did not observe any formal procedures relating to the routine monitoring of and clearance of outstanding purchase orders. Regular review of outstanding purchase orders should be undertaken to assist with monitoring the value of and status of associated liabilities.	Breakdown of internal controls, financial risk	Update procedures to include review of the status of outstanding purchase orders as part of end of month processes. Ensure any controls developed are routinely and consistently applied.

7.2.9 - Procurement

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	It is anticipated this item will be resolved as a flow on from the updated Purchasing Policy taken to the Policy Review Committee on 12/06/23 and recommended for Council endorsement on 28/06/2023. **Policy adopted as per RES 120623 and practices updated.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Procurement	Procedures for the procurement of goods or services.	7.2.9

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Our testing identified a contractor providing services to the Shire on an ongoing basis, resulting in non-compliance between procurement thresholds and purchasing requirements in accordance with Council policy. Although a 'unique nature of supply' provision is included within the purchasing policy, the services do not appear to comply with the policy provisions.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial risk	All procurement of goods or services should be undertaken in accordance with legislative requirements and the purchasing policy. A review of the purchasing policy may be required to ensure the policy is practical and addresses identified procurement risks.

7.2.10 - Procurement Assessment

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				EMT to investigate procurement assessment checklists to formalise the assessment process already taking place.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Procurement Assessment	Procedures to provide probity for the assessment of procurement options received.	7.2.10

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Documented formal requirements when undertaking assessments of responses to requests for quotations have not been established for high value purchases. Documented procedures are not in place to require declarations of interest and confidentiality to be signed prior to assessments being undertaken for high value purchases.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk	To help ensure probity and fairness when assessing high value procurement, at least three persons should assess the procurement responses independently of each other. Documented processes should require a higher level of probity and due diligence for higher value or higher risk purchases. Persons assessing any significant procurement should be required to declare any matters which may impact or be perceived to impact on their independence. Procedures for the declaration of interests prior to procurement assessments being undertaken should also be documented for high value purchases and tenders.

7.2.11 - Credit Cards

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	12/06/2023	It is anticipated this item will be resolved as a flow on from the updated Purchasing Policy taken to the Policy Review Committee on 12/06/23 and recommended for Council endorsement on 28/06/2023. **Policy adopted as per RES 120623 and practices updated.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Credit Cards	Systems and processes to control use of Corporate Credit Cards held.	7.2.11

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Agreements signed by credit card holders setting out cardholder responsibilities and legal obligations when using Shire credit cards were not available for our inspection or maintained on employee files.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks, financial and fraud risk	Review systems and procedures to ensure all credit card holders have acknowledged and signed documentation setting out cardholder responsibilities and legal obligations when using Shire credit cards. Ensure credit cards are issued only after this has occurred and documentation has been appropriately filed as required.

7.2.14 - General Journals

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	No	Yes		Current practice is that the DCEO raises and approves the journals when required, and the CEO reviews/approves the journals after they have been updated. Recommendation to review prior to updating. DCEO to investigate Altus Financial suite to see if module is available, and seek a quote, to see if the general journal creation and approval can be automated online (similar to Bank Reconciliations) to ensure segregation of duty and evidence of reviews taking place.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	General Journals	Processed general journals are independently reviewed and approved.	7.2.14

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
There are limited documented internal control procedures for general journals. We noted review and evidence of review of journals after posting appears to be consistently maintained. Best practice is to authorise journals prior to posting, however this may be impractical in all situations. No general journal audit trail is currently produced to ensure only authorised journals have been posted.	Breakdown of internal controls, financial and fraud risk	Document internal controls to ensure processes to support approvals/authorisations for journal requests are maintained prior to posting by an appropriate officer. The practice of independent review should be continued to be maintained, and evidence of review consistently applied. A monthly journal audit trail report should be produced and independently reviewed prior to preparation of the monthly statement of financial activity.

7.2.15 - Grants Management

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Noted. To investigate further.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Grants Management	Controls for the effective management of grants, compliance with conditions imposed by funding bodies and compliance with AASB standards.	7.2.15

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted limited procedures exist to support processes and controls in respect to: • Application of grants; • Acquittal of grants; • Compliance with grant conditions; and • Grant governance and administration arrangements. Where grants are not effectively managed, there is a risk funds may be returned due to poor performance or missed opportunities in the future. In circumstances where controls are not effective for grant application processes, unbudgeted and unauthorised financial commitments may be undertaken on behalf of the Shire.	Lack of strategic direction for implementation of internal controls	Document and implement procedures to consider the need for grant programs, whether relevant factors and risks are thoroughly analysed and assessed and appropriate options for delivery are considered prior to applying for grants to ensure grant objectives are clearly defined. Systems should include controls for the monitoring of grants with funding conditions, acquittal processes and recording of liabilities in line with the AASB standards. Incomplete consideration of these factors may result in non-compliance with accounting standards and effective delivery of the Shire's grant programs. Maintain a register of grants to evidence the routine review of status, compliance and performance of grants being managed by the Shire.

7.2.16 - Revenue Controls at Shire Facilities

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To be reviewed with regard to risk implications, likelihood and consequences once risk policy, strategy and register finalised.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Revenue Controls at Shire Facilities	Procedures and systems for the collection of revenue and handling of cash at Shire facilities.	7.2.16

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Revenue controls for the collection of fees and charges as well as the provision of services at some Shire facilities are considered inadequate. We noted limited controls to validate and support the accuracy of revenue collected.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	A review of procedures and controls is required to determine practical procedures, documentation and controls for the receipt and reconciliation of revenue across all facilities. Procedures should ensure compliance with associated regulatory requirements under the Local Government Act 1995 and associated regulations.

7.2.17 - Petty Cash

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	No	Yes	30/06/2023	The need for petty cash has lessened in past years. Management have looked at the possibility of rescinding the petty cash float which will remove the risk and need for procedures. **Final petty cash recoup completed as at 30 June 2023 and Petty Cash Float is no longer.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Petty Cash	Systems and processes to ensure controls are maintained around petty cash.	7.2.17

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We did not observe any formal procedures relating to petty cash systems and controls. Controls are not routinely documented to ensure appropriate review and authorisation processes occur in relation to the storage, management and handling of cash by staff.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	Undertake a review of systems and processes relating to petty cash, to ensure adequate controls exist relating to security of cash held, as well as maintaining and processing of petty cash transactions.

7.2.19 - Rates

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/DCEO	Yes	Yes	01/08/2023	**2023/2024 rating period undertaken with independent review and verification of rating matrices.** To test procedure for independent review and verification of rating matrices for accuracy for annual rating processes during 2023/24 rating period. To ensure evidence of review is documented thoroughly.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Rates	Rates are correctly imposed and rate system is properly maintained.	7.2.19

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Limited reviews are undertaken of routine annual rating functions performed. Although established procedures guide this process, we did not observe evidence of independent review and verification of rating matrices for accuracy for annual rating processes. Evidence of routine reviews of rate exempt properties as defined by section 6.26(2)(g) of the Local Government Act 1995 was not available for our inspection.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Update existing systems and procedures to demonstrate appropriate controls and authorisations exist for routine rating functions, including interim rating processes and annual rates billing. Develop and maintain systems and processes, in accordance with any adopted Council policy, whereby routine reviews are undertaken of rate exempt properties within the Shire, confirming these properties are used exclusively for rate exempt purpose.

7.2.20 - Overhead and Administration Allocations

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Works	No	Yes	01/07/2023	**Admin allocations and overhead rate review undertaken for new financial year. DCEO & Works Supervisor reviewed and updated plant allocation rates. To continue monitoring costings and allocations on a monthly basis as part of the end of month procedures.** DCEO currently reviewing as part of the 2023/24 Budget preparation. Routine review and monitoring of indirect costs are part of end of month procedures.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Overhead and Administration Allocations	To allocate indirect costs in a practical and efficient manner.	7.2.20

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A documented process to determine the allocation of indirect costs was not available for our review. From staff representations, current plant allocation rates are currently based on historical estimates. We noted management are currently periodically monitoring unallocated indirect costs to undertake corrective adjustments where required, with a review of these rates intended to be undertaken in the near future.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Undertake a review of activity based costings to support calculation of overhead and administration allocations. Routine review and monitoring of indirect costs should be maintained for accuracy and compliance in financial reporting of works programs.

7.2.21 - Contract Management

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Noted. To investigate further.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Contract Management	To provide clear documentation of key contract / agreement information entered into with third parties by the Shire.	7.2.21

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
We noted a number functions are outsourced to external parties for a variety of professional services. Systems, procedures and contract provisions may not adequately address risks to ensure qualifications are maintained for contractors engaged. The absence of controls in relation to project and/or compliance management also imposes limitations to legislative compliance in relation to currency of specific qualifications required to perform professional duties.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Review and update systems and processes to provide for higher level controls and oversight of contracts entered into with third parties by the Shire. Agreements should be dually executed to ensure contract obligations are met by both parties.

7.2.22 - Stock Controls

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Security/Access will be addressed as per item 7.2.5 - Access to Shire Facilities. Continually investigating ways to improve procedures to ensure they are both effective and efficient.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Stock Controls	Process to ensure stock is correctly allocated, as well as to reduce the potential for theft or misappropriation.	7.2.22

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Limited controls are in place to monitor potential erroneous allocations or misuse of stock. Stock allocations are entered and reviewed for reasonableness by management, but not independently reviewed for accuracy at periodic intervals, nor mechanisms to detect where excess stock (including fuels, oils, materials etc) may be allocated inappropriately or erroneously.	Breakdown of internal controls Controls reliant on the capability and honesty of staff, financial and fraud risk	Review security and access to stock held. Develop and implement procedures for the monitoring of stock on hand in an effort to improve opportunities to detect any issues or potential misuse with fuel allocations in a timely manner.

7.2.23 - Information Required to be Published on Official Local Government Website

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO/ DCEO/ Admin	No	Yes		• Confirmed minutes of Committee meetings; - Available on website • Minutes of annual meeting of electors; - Available on website • Notice papers, agenda, reports and other documents presented at Council and committee meetings; - Available on website • Tender register; - Available on website • Up to date version of each policy of the local government; and - Available on website • Adopted model standards relating to CEO recruitment, performance review and termination. - Available on website. • Copies of all local laws; - Currently working on Local Law review, will upload once complete and available

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.2	Information Required to be Published on Official Local Government Website	Ensure information is published for public information as required by legislation.	7.2.23

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
At the time of our review, we noted the following information (in addition to other matters noted throughout this report) has not been published on the Shire's official website as required by legislation: • Confirmed minutes of Committee meetings; • Minutes of annual meeting of electors; • Notice papers, agenda, reports and other documents presented at Council and committee meetings; • Copies of all local laws; • Tender register; • Up to date version of each policy of the local government; and • Adopted model standards relating to CEO recruitment, performance review and termination.	Breakdown of internal controls, compliance Breach	Ensure information is published on the Shire's official website as required by section 5.96A of the Local Government Act 1995 and any other relevant section of the Act.

7.3.2 - Employee Appointment Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	No	Yes		**WALGA & OAG templates used to create Shire of Koorda new employee forms.** OAG & WALGA Guidelines downloaded. DCEO & Payroll Officer working to create new induction forms and checklists to ensure all details are correct and appropriate when appointing new employees. Areas identified as part of Workforce Plan 2022-2025 (1.3, 4.2 & 4.4)

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Employee Appointment Procedures	Procedures to ensure appointment of staff are appropriately authorised, and onboarding processes are consistently and routinely applied.	7.3.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Staff inductions are inconsistently applied throughout the Shire, and induction processes do not consistently communicate to staff required expectations and requirements when performing local government functions.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Develop and implement procedures to ensure all new staff are appropriately inducted and aware of the parameters of their employment responsibilities and obligations including: • WH&S; • Duties and responsibilities; • Security; • Code of Conduct; • HR Policies and Procedures; • Legislative Compliance; • Risk Management; and • Other relevant and required topics.

7.3.3 - Personnel Records

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Following on from Record Keeping Policy and Procedure Update, to review security controls around electronic records and look to implement access levels.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Personnel Records	Ensure employee records are securely stored to prevent unauthorised access.	7.3.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Hard copy personnel records are securely locked in a cabinet, however electronic records are not adequately restricted. Management representations indicate efforts are being undertaken to improve access restrictions through the EDRMS.	Breakdown of internal controls Controls reliant on the capability and honesty of staff	Secure electronic personnel records by restricting access and limiting permissions to share drives only to officers who are appropriately authorised to access these records or an appropriate alternate security control.

7.3.4 - Staff Contracts and Employee Files

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				To implement a procedure/checklist during 2023/24 payroll updates with regard to mandatory superannuation increases and any pay policy changes following performance reviews and the determination of wage increases in modern awards.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Staff Contracts and Employee Files	To provide a documented record of the terms and conditions of each employee's contract of employment.	7.3.4

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Through our limited testing, we noted an instance where evidence of correspondence on an employee file to support an allowance applied through the payroll was not available.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Update systems and procedures to evidence controls for the application and review of employee conditions within the payroll master file. Interventions should be available at various stages for a number of operational functions, including routine independent reviews of controls to ensure they are being maintained as required. Undertake a review of all personnel files to reconcile documentation relating to conditions of employment, remuneration, roles and responsibilities with payments being made.

7.3.5 - Staff Training

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
				Noted. To be investigated further.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Staff Training	To ensure staff have access to ongoing and appropriate training.	7.3.5

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Planned and required staff training needs for employees are currently identified and recorded in a central training register. Further value from this initiative can be added through refining the current matrix toward a more formal required staff training structure, applied throughout the organisation.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Refine the current staff training register to identify staff training needs relevant to each role, ensuring it is co-ordinated across the organisation and monitors currency of required licences and qualifications.

7.3.6 - Payroll Exception Reporting

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Payroll	Yes	Yes	21/06/2023	Fortnightly comparison (as at 21/06/2023) and audit summary reports (since implementation of system) being produced during the review of each pay period to ensure any major anomalies in payroll are picked up and looked into/verified. The audit trial reports on; hired employees, terminated employees, shared bank accounts and organisation; leave policy changes, pay policy changes and provision policy changes. As well as employee; bank changes, project changes, role changes, department changes, pay calendar changes, pay policy changes, leave policy changes, tax declaration changes, tax variation changes, superannuation account changes, superannuation contribution changes, addition or deduction changes, work schedule changes, compliance changes. Any changes to detail, the authorising officer will confirm details of changes on a form signed by the employee.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.3	Payroll Exception Reporting	Procedures to assist with accurate processing of employee entitlements.	7.3.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
The officers responsible for processing and reviewing payroll are tasked with review and capture of employee entitlements, allowances, deductions, etc. Staff have advised more formal documentation / checklists are intended to be created to assist with payroll processing, review and authorisation.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability of staff.	Review procedures and controls to define systems documentation and controls for the accurate processing of payroll each fortnight. Details for each employee should be reviewed against individual employment contracts to capture allowances, deductions, entitlements etc, into a master list, with appropriate review and authorisation for changes. Payroll exception reporting and review of audit trails should be undertaken to capture anomalies or unauthorised changes.

7.4.1 - Contractor Insurance

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO & Finance	No	Yes		Finance Officers working to update Creditor Application/Update form to capture Contractor Insurance and a prompt to seek updated certificates on expiry.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	7.4	Contractor Insurance	Insurance cover maintained by contractors for damage caused when undertaking works for the Shire.	7.4.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Contractors' insurances are not always assessed prior to award of contracts in all cases. Reliance is placed on contract managers to ensure copies of insurances are provided.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	To help ensure all contractors have the relevant licences and have adequate insurance cover for the works they undertake for the Shire, procedures should be developed, and records maintained to ensure copies of contractor's insurances are obtained and held on file prior to award of contracts.

8.1.1 - Council and Committee Minutes

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Governance	Yes	Yes	01/09/2023	Attachments are linked within the agenda and minutes items, not inserted into the document. Unfortunately, links have an expiry, so staff are investigating the best way to include the attachments on the website. **2023 Attachments uploaded as a separate document to website.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Council and Committee Minutes	Official record of proceedings and decisions.	8.1.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Attachments (monthly statement of financial activity, accounts for payment list etc) are not published in the minutes on the official local government website to support the decisions made, including where the decision refers to the officer report or an attachment.	Failure to identify risks or adequately treat risks. Internal control or compliance breach	Ensure all documents supporting Council / Committee decisions are included in the official minutes, and all minutes are also published on the official local government website as required by legislation. Review procedures for recording of official minutes to ensure all detail, decisions and proceedings required to be recorded by legislation are captured.

8.1.2 - Council and Audit Risk Committee

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	01/12/2023	As the Risk Register has been updated and a draft Risk Management Strategy for consideration at the Audit & Risk Committee Meeting planned for 18/12/2023, Council items for the December 2023 Council Meeting include Risk ratings/implications for each item.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Council and Audit Risk Committee	Monitoring and consideration of risks when making strategic decisions.	8.1.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Identified risks are not consistently included within agenda items for elected member consideration for recording in the risk register.	Breakdown of Internal Controls, Failure to identify risks or adequately treat identified risks	Identified risks relating to a Council and / or Committee decision should be consistently communicated within the agenda item, to enable elected members to be fully informed of the identified risks when making decisions. Risks should also be appropriately recorded in a risk register.

8.1.3 - Audit Committee

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO	Yes	Yes	30/05/2023	Have made changes to the "Council Meeting" Module on the website to categories Meetings (Council, Special, Audit, Electors) to clearly separate meetings to ensure compliance. Have uploaded Audit Minutes back to 2021 in this category, with the rest being available for inspection at the Shire Office if required.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.1	Audit Committee	To provide oversight in monitoring compliance with legislation, performance, risk and internal controls, internal audit, liaising with external auditors and reporting to Council.	8.1.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Minutes of all Audit Committee meetings were not published on the official local government website at the time of our review.	Failure to identify risks or adequately treat risks. Internal control or compliance breach	Ensure all Committee minutes are published on the official local government website as required by legislation.

8.2.1 - Risk Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	Yes	Yes	21/09/2023	**LGIS Risk Workshop undertaken Thursday 21 September 2023. Risk Register complete. To include in quarterly reporting to Audit Committee.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Risk Register	Provide a record of risk breaches and remedial action taken.	8.2.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A risk register was not available for our inspection to reflect identified risks, and if they have been adequately treated.	Failure to identify risks or adequately treat risks Breakdown of internal controls	Maintaining risk registers for all identified risks is important to help ensure appropriate recording and communication of high rated risks, along with providing a record to enable the verification of whether treatment plans have appropriately reduced the risk. Routine (at least quarterly) review of the risk register is required to assist in ensuring identified risks are adequately treated.

8.2.3 - Register of Hazardous Materials

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
EMT	No	Yes	01/09/2023	A register of hazardous materials was not requested upon site visit. A Register exists, staff to regularly review to ensure contents are applicable and up to date.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Register of Hazardous Materials	Provide a record of properties under the Shire's control containing hazardous materials.	8.2.3

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register of hazardous materials was not available for our inspection, to reflect properties under the control of the Shire which may contain hazardous materials such as asbestos, and if associated risks have been adequately treated.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Develop and maintain a register to record details of hazardous materials, such as asbestos, for properties under the control of the Shire.

8.2.6 - Swimming Pool Inspection Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO & EHO	Yes	Yes	01/09/2023	Due to the discontinuation in NEWHEALTH, the handover and requirement to inspect private swimming pools was delayed. A swimming pool inspection register exists and has been updated to provide details of the last inspection and next inspection date. Outstanding pool inspection was due to resident not residing full time at the Koorda Property, and the EHO working remotely. To liaise with EHO regarding overdue inspection. **Inspections flagged within Compliance Calendar.**

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Swimming Pool Inspection Register	Register of inspections undertaken.	8.2.6

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register of inspections of private swimming pools within the district is currently maintained, although it was noted some routine inspections were not performed in the required timeframe, with one inspection remaining overdue. Management representations indicate additional resources were allocated in December 2022 to undertake the backlog of inspections, and to maintain the frequency of inspections.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff.	Update systems and processes to ensure routine monitoring and review of the register occurs for future private swimming pool inspections to be undertaken within required timeframes.

8.2.7 - Development Applications and Building Permits Register

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	Yes	Yes	01/07/2023	**With new Delegated Authority Register Reporting, a Development Application and Building Permit Register has been created and details of new applications are being recorded to ensure compliance with mandated timeframes.** As per the 2023 Delegation Register, (Section 5 Building Act 2011 Delegations and Section 12 Planning and Development Act 2005 Delegations) - the adopted reporting requirements seek "Delegations exercised are to be reported to Council monthly." A register, whether part of the report to Council, or separate, to include date of application, due date of decision and date of decision.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.2	Development Applications and Building Permits Register	Provide a record of the receipt and status of applications received.	8.2.7

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A register to record and track applications for building permits and development applications is not currently maintained. Reliance for compliance with statutory processing timeframes of applications received remains with only one officer, with no independent oversight, monitoring or reporting being undertaken.	Failure to identify risks or adequately treat identified risks. Controls reliant on capability and honesty of staff, compliance breach	Create and maintain a register to record the details and status of applications for building permits and development, to assist with ensuring applications are processed within mandated timeframes.

8.4.1 - Community Complaints Procedures

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
DCEO/ Policy Review Committee	No	No		As the DCEO/Policy Review Committee undertake the updating of the Complaints Policy in the full Policy Manual Review, the Policy will filter through to a procedure to cover this item.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.4	Community Complaints Procedures	Procedures for the recording handling and resolution of community complaints.	8.4.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A customer complaints register is not currently maintained to follow up and ensure all complaints are adequately addressed. This type of register may assist with alignment to the requirements of the complaints handling policy.	Failure to identify risks or adequately treat risks	To help ensure all complaints are adequately monitored, reported and resolved, a register of customer complaints received should be maintained and systems and processes should ensure staff are aware of their obligations in accordance with adopted policies.

8.5.1 - Internal Audit

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO				Noted. To investigate further.

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.5	Internal Audit	Internal audit monitors the level of compliance with internal procedures and process along with assessing the appropriateness of these procedures.	8.5.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken.	Failure to identify risks or adequately treat risks	We suggest as the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required as recommended by the OAG in their report to Parliament on the Audit Results Report – Annual 2017-18 Financial Audits of Local Government Entities.

8.6.1 - Audit Regulation 17 Review

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	No	Yes	28/06/2023	Note in budget to prompt allocation for FMR & Reg 17 review. Policy "Legislative Compliance" recommended to be endorsed at Council on 28/06/2023 includes a prompt as per excerpt below. **Review due date captured in Compliance Calendar.** *Regulation 17 of the Local Government (Audit) Regulations 1996 requires the CEO to review of the appropriateness and effectiveness of systems and procedures in relation to risk management, internal control and legislative compliance not less than once in every 3 financial years and report to the Audit Committee the results of that review.*

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.6	Audit Regulation 17 Review	CEO's review of the appropriateness and effectiveness of systems and procedures for Risk Management, Internal Controls and Legislative Compliance in accordance with Regulation 17 of Local Government (Audit) Regulations 1996.	8.6.1

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A review was last undertaken in 2018 which is outside of the time period as required by Regulation 17 of Local Government (Audit) Regulations 1996. The previous review made no recommendations in relation to the appropriateness and effectiveness of risk management, legislative compliance and internal controls.	Breakdown of internal controls, Compliance breach	Ensure the next review is undertaken within the time period as required by Regulation 17 of Local Government (Audit) Regulations 1996. Ensure future reviews identifies operational and financial risk, control weaknesses and compliance weaknesses.

8.6.2 - Financial Management Review

Responsible Officer	Completed - Yes/No	Action Taken	Date Action Taken	Comment
CEO	No	Yes	28/06/2023	Note in budget to prompt allocation for FMR & Reg 17 review. Policy "Legislative Compliance" recommended to be endorsed at Council on 28/06/2023 includes a prompt as per excerpt below. **Review due date captured in Compliance Calendar.** *Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 also requires the CEO to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.*

Context of assessment	Report Section	Component	Purpose/Goal	Risk Number
Functional	8.6	Financial Management Review	Review of the appropriateness and effectiveness of the Financial Management systems and procedures of the local government, required to be undertaken every three years by Regulation 5(2) of Local Government (Financial Management) Regulations 1996.	8.6.2

Date of initial risk identification	Likelihood	Strategic Consequences	Operational Consequences	Combined Consequence	Risk Category	Action Required
Feb-23	Possible	Moderate	Minor	Moderate	**Medium**	**Planned action required**

Risk Issue and Failure Modes	Risk Identified	Mitigation and Management Strategy (Possible Future Controls)
A review was last finalised in 2016, with the next review being undertaken in February 2022 which is outside of the time period as required by Regulation 5(2) of Local Government (Financial Management) Regulations 1996.	Breakdown of internal controls, Compliance breach	Ensure the next review is undertaken within the time period as required by Regulation 5(2) of Local Government (Financial Management) Regulations 1996