



**23 MAY 2025**

## **Shire of Esperance**

### **NOTICE OF MEETING AND AGENDA**

**An Audit Committee meeting of the Shire of Esperance will be held at Council Meeting Room on 27 May 2025 commencing at 1:00 PM to consider the matters set out in the attached agenda.**

**S Burge**

**Chief Executive Officer**

### **DISCLAIMER**

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In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or intimation of approval made by a member or officer of the Shire of Esperance during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire of Esperance. The Shire of Esperance warns that anyone who has any application lodged with the Shire of Esperance must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attaching to the decision made by the Shire of Esperance in respect of the application.

### **ETHICAL DECISION MAKING AND CONFLICTS OF INTEREST**

Council is committed to a code of conduct and all decisions are based on an honest assessment of the issue, ethical decision-making and personal integrity. Councillors and staff adhere to the statutory requirements to declare financial, proximity and impartiality interests and once declared follow the legislation as required.

### **ATTACHMENTS**

Please be advised that in order to save printing and paper costs, all attachments referenced in this paper are available in the original Agenda document for this meeting.

### **RECORDINGS**

The Meeting will be live streamed. The recording will be made publicly available as soon as practical following the meeting.

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**SHIRE OF ESPERANCE**

**AGENDA**

**AUDIT COMMITTEE MEETING  
TO BE HELD IN COUNCIL MEETING ROOM ON 27 MAY 2025  
COMMENCING AT 1:00 PM**

**1. OFFICIAL OPENING**

**2. ATTENDANCE**

**Members**

Cr S McMullen  
Cr S Flanagan  
Pres R Chambers  
Cr G Johnston  
Mr K Mills

Shire of Esperance (Presiding Member)  
Shire of Esperance  
Shire of Esperance  
Shire of Esperance  
Community Representative

**Shire Officers**

Mr S Burge  
Mrs F Baxter  
Ms S Walsh

Chief Executive Officer  
Director Corporate & Community Services  
Coordinator Governance and Corporate Support

**Members of the Public & Press**

**3. APOLOGIES & NOTIFICATION OF GRANTED LEAVE OF ABSENCE**

**4. DEPUTATIONS, PRESENTATIONS, INSPECTIONS, PETITIONS**

Nil

**5. DECLARATION OF MEMBERS INTERESTS**

- 5.1 Declarations of Financial Interests – Local Government Act Section 5.60a**
- 5.2 Declarations of Proximity Interests – Local Government Act Section 5.60b**
- 5.3 Declarations of Impartiality Interests – Admin Regulations Section 34c**

**6. CONFIRMATION OF MINUTES**

That the Minutes of the Audit Committee Meeting of the 4 March 2025 be confirmed as a true and correct record.

**7. NEW BUSINESS OF AN URGENT NATURE**

Nil

## **8. MATTERS REQUIRING A DETERMINATION OF COMMITTEE**

### **Item: 8.1**

#### **CEO Review of Systems and Procedures (Reg.17)**

|                     |                 |  |
|---------------------|-----------------|--|
| <b>Author/s</b>     | Sarah Walsh     | Coordinator Governance & Corporate Support |
| <b>Authorisor/s</b> | Felicity Baxter | Director Corporate and Community Services  |

**File Ref: D25/12095**

#### **Applicant**

Internal

#### **Location/Address**

Shire of Esperance

#### **Executive Summary**

For the Audit Committee to consider the report from the CEO on the appropriateness and effectiveness of the Shire of Esperance systems and procedures in relation to risk management, internal control and legislative requirements.

#### **Recommendation in Brief**

That the Audit Committee accept the report from the CEO on the appropriateness and effectiveness of the Shire of Esperance systems and procedures in relation to risk management, internal control and legislative requirements and recommend the review to Council for endorsement.

#### **Background**

In accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is required to review the appropriateness and effectiveness of the Shire of Esperance's systems and procedures in relation to risk management, internal control and legislative requirements, not less than once every three years.

The last review was undertaken in March 2023 and the review recently undertaken by the CEO is now being put forward to the Audit Committee to be considered.

The Shire's Risk Management Policy (Attachment A) provides guidance and direction in relation to risk management and determines the Shire's risk appetite regarding the measures of consequence and likelihood of each risk.

Risk management systems are a key expression of a local government's attitude to effective controls.

It is important for organisations to establish and review processes for mitigating material operating risks. Tolerance for risk is central to this process, particularly in the following areas;

- Potential non-compliance with legislation, regulations, standards and local government's policies;
- Important accounting judgements or estimates that prove to be wrong;
- Litigation and claims;
- Misconduct, fraud and theft;

- Significant business risks, recognising responsibility for general or specific risk areas. For example, environmental, work health and safety risk, and how they are managed by the local government.

Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, ensures that identified risks are monitored and new risks are identified, mitigated and reported.

### **Officer's Comment**

The Shire's organisational Risk Register has been reviewed to ensure all risk profiles are current. This report (Attachment B) commences with a brief snapshot of each risk profile identifying the risk rating, the level of control and proposed actions to improve the level of control for each risk profile, reducing the level of risk. The full analysis for each profile is then attached listing all the controls and their effectiveness.

As part of this review, it was identified that 13 actions have been closed, 30 have been carried over and 46 new mitigating actions have been added to the Risk Register since the last review.

The Audit Regulation 17 review provides the CEO and Council with assurance of legislative compliance, risk mitigation and internal control toward a culture of continuous improvement.

The last Audit Regulation 17 review was undertaken by Civic Legal, who suggested 23 Risk Management actions, 19 Internal Control actions and 10 Legislative Compliance actions.

Only the action suggesting that the Audit Committee meet monthly to consider the Shire's monthly accounting reports was not recommended for endorsement, due to the resources required and was considered to be low risk as the financial report is put to Council each month.

25 of the 51 actions suggested by Civic Legal have been completed.

The Action Summary Report (Attachment C) provides updates on the current actions, and the Status Summary (Attachment D) provides the status of each suggested action for reference.

### **Consultation**

Middle Management  
Directors

### **Financial Implications**

Although there are no direct financial implications arising from this report, identified actions may have financial or resource implications for the organisation. The cost of implementing the controls to reduce or manage risk will need to be weighed up against the risk appetite of the organisation to determine the most appropriate course of action.

### **Asset Management Implications**

Nil

### **Statutory Implications**

*Local Government (Audit) Regulations 1996 – r.17* CEO to review certain systems and procedures.

### **Policy Implications**

Risk Management Policy

### **Strategic Implications**

Council Plan 2022 - 2032

*Performance - Outcome 15. Operational excellence and financial sustainability*

Objective 15.1. Provide responsible, agile and innovative planning and resource management.

### **Environmental Considerations**

Nil

### **Attachments**

- A<sup>1</sup>. Risk Management Policy
- B<sup>1</sup>. Audit Regulation 17 Action Summary Report Q3 2024/25
- C<sup>1</sup>. Audit Regulation 17 Action Status Summary
- D<sup>1</sup>. Reviewed Risk Register November 2024

### **Officer's Recommendation**

**That the Audit Committee;**

- 1. Accept the CEO's review of the appropriateness and effectiveness of the Shire of Esperance systems and procedures in relation to risk management, internal control and legislative compliance; and**
- 2. Recommend the review to Council for endorsement.**

**Voting Requirement**

Simple Majority





## POL 0015: Risk Management

### COUNCIL POLICY

#### Purpose

The Shire of Esperance's Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives. The purpose of risk management is to reduce the potential effects of risk by reducing liability, preventing litigation and improving loss control.

#### Scope

This policy covers all operations of the organisation including but not limited to all workers, contractors, visitors and volunteers. The key drivers for risk management are Managements responsibility.

#### Definitions

**CEO:** Chief Executive Officer

**Councillor:** a member of an elected group of local government representatives

**Risk:** a situation involving exposure to danger

**Risk Appetite:** the amount and type of risk that an organisation is willing to accept whilst pursuing its objectives.

**SOE:** Shire of Esperance

**WHS:** Work Health and Safety

#### Practice

It is the Shire's Policy to achieve best practice in the management of all risks that may affect the SOE, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Shire's Integrated Planning Framework.

Council shall determine the Risk Management policy for the SOE. The Shire's Executive Management Team will communicate the *Risk Management Policy* and Objectives and determine Procedures for the implementation of Risk Management, as well as direct and monitor practice and performance.

Every Councillor, worker, volunteer and contractor within the SOE is recognised as having a role in risk management, from the identification of risks, to implementing risk treatments and shall be invited and encouraged to participate in the process.

Consultants may be retained at times to advise and assist in the risk management process or management of specific risks or categories of risk.

### Risk Management Objectives

1. Optimise the achievement of our vision, mission, strategies, goals and objectives.
2. Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
3. Enhance risk versus return within our risk appetite.
4. Embed appropriate and effective controls to mitigate risk.
5. Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
6. Enhance organisational resilience.
7. Identify and provide for the continuity of critical operations.

### Risk Appetite

The Shire has defined its risk appetite through the development and endorsement of the Shire's *Risk Assessment Criteria*. The criteria is subjected to ongoing review in conjunction with this policy.

All organisational risks to be reported at a corporate level are to be assessed according to the Shire's *Risk Assessment Criteria* to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations appetite and are to be noted within the individual risk assessment.

### Roles, Responsibilities & Accountabilities

The CEO is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures Operational Document.

### Monitor and Review

The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by Council and will be reviewed biennially.

Appendix A – Risk Assessment Criteria

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

| Measures of Likelihood |                |  |                            |
|------------------------|----------------|--|----------------------------|
| Level                  | Rating         | Description  | Frequency                  |
| 5                      | Almost Certain | The event is expected to occur in most circumstances (>90% chance) | More than once per year    |
| 4                      | Likely         | The event will probably occur in most circumstances (>50% chance)  | At least once per year     |
| 3                      | Possible       | The event should occur at some time (20% chance)                   | At least once in 3 years   |
| 2                      | Unlikely       | The event could occur at some time (<10% chance)                   | At least once in 10 years  |
| 1                      | Rare           | The event may only occur in exceptional circumstances (<5% chance) | Less than once in 15 years |

| Rating (Level)           | Health                              | Financial Impact          | Service Interruption  | Compliance   | Reputational  | Property  | Environmental   |
|--------------------------|-------------------------------------|---------------------------|---|--|---|---|---|
| <b>Insignificant (1)</b> | Near miss. Minor first aid injuries | Less than \$20,000        | No material service interruption  | No noticeable regulatory or statutory impact   | Unsubstantiated, low impact, low profile or 'no news' item  | Inconsequential damage.   | Contained, reversible impact managed by on site response                                |
| <b>Minor (2)</b>         | Medical type injuries               | \$20,001 - \$500,000      | Short term temporary interruption – backlog cleared < 1 day                     | Some temporary non-compliances   | Substantiated, low impact, low news item  | Localised damage rectified by routine internal procedures   | Contained, reversible impact managed by internal response                               |
| <b>Moderate (3)</b>      | Lost time injury <30 days           | \$500,001 - \$1.5 Million | Medium term temporary interruption – backlog cleared by additional resources    | Short term non-compliance but with significant regulatory requirements imposed             | Substantiated, public embarrassment, moderate impact, moderate news profile   | Localised damage requiring external resources to rectify  | Contained, reversible impact managed by external agencies                               |
| <b>Major (4)</b>         | Lost time injury >30 days           | \$1.5 Mil - \$3 Million   | < 1 week  | Non-compliance results in termination of services or imposed penalties                     | Substantiated, public embarrassment, high impact, high news profile, third party actions                                    | Significant damage requiring internal and external resources to rectify                                   | Uncontained, reversible impact managed by a coordinated response from external agencies |
| <b>Catastrophic (5)</b>  | Fatality, permanent disability      | More than \$3 Million     | Prolonged interruption of services – additional resources; performance affected | Non-compliance results in litigation, criminal charges or significant damages or penalties | Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions | Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment and building | Uncontained, irreversible impact  |

| Existing Controls Rating |  |  |
|--------------------------|--|--|
| Rating                   | Foreseeable                                      | Description  |
| <b>Effective</b>         | There is little scope for improvement            | <ol style="list-style-type: none"> <li>1. Process (controls) operating as intended and aligned to policies / procedures</li> <li>2. Subject to ongoing monitoring</li> <li>3. Reviewed and tested regularly</li> </ol>                       |
| <b>Adequate</b>          | There is <u>some</u> scope for improvement       | <ol style="list-style-type: none"> <li>1. Processes (controls) generally operating as intended, however inadequacies exist</li> <li>2. Nil or limited monitoring</li> <li>3. Reviewed and tested, but not regularly</li> </ol>               |
| <b>Inadequate</b>        | There is a <u>need</u> for improvement or action | <ol style="list-style-type: none"> <li>1. Processes (controls) not operating as intended</li> <li>2. Processes (controls) do not exist, or are not being complied with</li> <li>3. Have not been reviewed or tested for some time</li> </ol> |

| Risk Acceptance Criteria |                           |  |                            |
|--------------------------|---------------------------|--|----------------------------|
| Risk Rating              | Description               | Criteria   | Responsibility             |
| <b>Low</b>               | Acceptable                | Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring   | Supervisor / Team Leader   |
| <b>Moderate</b>          | Monitor                   | Risk acceptance with adequate controls, managed by specific procedures and subject to semi-annual monitoring   | Service Manager            |
| <b>High</b>              | Urgent Attention Required | Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring  | Executive Management Group |
| <b>Extreme</b>           | Unacceptable              | Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring | CEO and Council            |

| Risk Treatment & Review Timeframes |                           |                         |                            |                                    |
|------------------------------------|---------------------------|-------------------------|----------------------------|------------------------------------|
| Risk Rating                        | Description               | Risk Treatment          | Responsibility             | Risk Review                        |
| Low<br>(1-4)                       | Acceptable                | Treated within 6 months | Supervisor / Team Leader   | Review every 6 months              |
| Moderate<br>(5-9)                  | Monitor                   | Treated within 3 months | Service Manager            | Review every 3 months              |
| High<br>(10-16)                    | Urgent Attention Required | Treated within 2 weeks  | Executive Management Group | Review within 2 weeks then monthly |
| Extreme<br>(20-25)                 | Unacceptable              | Treated within 1 week   | CEO and Council            | Review every 2 weeks               |

.....End.....

#### Document Information

|                      |                         |
|----------------------|-------------------------|
| Responsible Position | Manager Human Resources |
| Risk Rating          | Medium                  |

#### Referencing Documents

- *Local Government Act 1995*
- *Risk Management Framework*
- *Risk Assessment Criteria*

#### Revision History

| Date     | Version | CM Reference  | Reason for Change  | Resolution # | Next Review |
|----------|---------|---------------|--|--------------|-------------|
| Feb 2013 |         | D13/4305[v1]  | Draft policy   |              |             |
| Apr 2013 | 1       |               | New policy   | O0413-017    | Apr 2015    |
| Jun 2013 |         | D13/4305[v2]  | Draft policy   |              |             |
| Nov 2014 | 2       | D14/23268     |  | O1114-022    | Nov 2016    |
| Mar 2018 | 3       | D16/29010     | Biennial review, update document controller  | O0318-073    | Mar 2020    |
| Nov 2019 | 4       | D16/29010[v2] | Biennial review, no change   | O1119-248    | Nov 2021    |
| Oct 2020 | 5       | D16/29010[v3] | Update ISO standard reference  | O1020-317    | Oct 2022    |
| Jan 2022 | 6       | D16/29010[v4] | Biennial review, no change   | O0122-012    | Jan 2024    |
| Nov 2023 | 7       | D16/29010[v5] | Biennial review, no change.  | O1123-189    | Nov 2025    |
| Aug 2024 | 8       | D16/29010[v6] | Update purpose, scope, definitions, SOE references. Replace employee references with worker in line with new legislation. Remove reference to ISO. Update Risk Assessment Criteria tables. Update referencing documents. | O0824-028    | Aug 2026    |



# Audit Regulation 17 Review Summary Q3 2024/2025





**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments  | Responsible Officer Position               |
|-------------|---|---|--|
| r.17.2      | Draft and endorse a standard operating procedure for reviewing the Risk Register. This should address when identified risks are to be included in the register before the biennial review. Such risks may be identified, for example, through Hazard/Incident Report Forms.   | Management practice drafted, to be peer reviewed and approved.  | Governance & Corporate Support Coordinator |
| r.17.3      | Undertake an audit/review of the Risk Management Procedures document, to ensure it is up to date and governance processes are being undertaken (e.g. internal audit on internal control procedures).<br><br>Include review details for the Risk Management Procedures document at the beginning or end of the document. |   | Coordinator Workplace Health and Safety    |
| r.17.4      | Ensure the approval date and review dates are recorded in the Work Health and Safety Procedure - Workplace Inspections.   |   | Coordinator Workplace Health and Safety    |
| r.17.5      | Draft a management practice or standard operating procedure for reviewing the BCP.  | Not Started.  | Coordinator Workplace Health and Safety    |
| r.17.8      | Draft a procedure to address incorrect accounting estimates, capturing how to avoid them in the first instance, and how to address them if they occur.  | The method for accounting estimates should be defined in the Financial Management Manual which is currently being collated. | Manager Financial Services                 |

**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments  | Responsible Officer Position               |
|-------------|---|---|--|
| r.17.9      | Draft a management practice for dealing with litigious matters.   | Not required - We have qualified staff to know which type of legal support is best to utilise.  | Governance & Corporate Support Coordinator |
| r.17.10     | Continue reminding employees about the Employee Code of Conduct and other ethical matters on a regular basis.   | All new starters read and sign Code of Conduct, whilst existing staff are constantly reminded of the Shire's values which underpin the Code.  | Manager Human Resources                    |
| r.17.13     | Review the Occupational Safety and Health Management Plan.  | Now called WHS Plan.  | Coordinator Workplace Health and Safety    |
| r.17.14     | Review the Work Health and Safety Procedure - Working in Adverse Weather Conditions (February 2018) including the heading to ensure it reflects its intended purpose. Ensure the functions of the Health and Safety Committee are reflected in the procedural document where appropriate. | Due to go to Document Control Group, finished consultation with SME.  | Coordinator Workplace Health and Safety    |
| r.17.15     | Develop a procedure for managing insurable risks, including the need for officers to actively participate in the insurers annual risk assessment process.   | Corporate Support have developed a procedure for completing insurance renewals which includes incorporating feedback from relevant officers. This will be updated when time allows. | Governance & Corporate Support Coordinator |
| r.17.17     | Draft and endorse a management procedure regarding the management of large projects. This would address the question of when a project manager or other external consultants should be hired, as well as additional financial and other risk mitigation strategies.                       | Not started   | Director Asset Management                  |

**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments  | Responsible Officer Position               |
|-------------|---|---|--|
| r.17.18     | Ensure written guidance is provided to officers regarding when the (more extensive) evaluation process ought to occur, rather than allowing price to be the only consideration.   | Not started   | Director Asset Management                  |
| r.17.20     | HR to conduct a review of individual business area inductions to ensure they are appropriate and are conducted consistently.  | Work continues to update all site inductions. HR and WHS inductions being updated and should be implemented in last quarter of 24/25.   | Manager Human Resources                    |
| r.17.24     | Reinforce the requirement to record the use of delegations in accordance with statutory requirements. This may be a topic of an internal audit and/or could be addressed in the performance reviews of relevant officers.         | Information regarding the requirement to record delegations is provided to all relevant staff annually when the new documentation is provided. Noted that training/induction for staff is on the list to be looked into further when time allows. | Governance & Corporate Support Coordinator |
| r.17.26     | Begin a program of conducting periodic internal reviews of systems and procedures. This may address discrete topics such as recording the use of delegations or completion of cash acknowledgement forms.                         | Planning for Internal Audit will be tabled for discussion with the Audit Committee.   | Chief Executive Officer                    |
| r.17.28     | Draft a management procedure or standard operating procedure for engaging legal advisors. This should provide guidance on how to assess when legal advice is required and who is authorised to approve legal advice being sought. | SOP is not necessary as each area's process is different so shouldn't sit with one person. We have qualified staff to know which type of legal support is best to utilise for each situation that arises.   | Governance & Corporate Support Coordinator |

**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments   | Responsible Officer Position       |
|-------------|---|--|------------------------------------|
| r.17.29     | Consider including employee authority levels regarding the execution of documents in job descriptions.  | Deferred until HR has capacity to review.  | Manager Human Resources            |
| r.17.30     | Draft a written procedure for logging records in and out, to assist records officers.   | No Change  | Information Management Coordinator |
| r.17.31     | Draft a standard operating procedure for the internal audits of IT software.  |  | Manager Information Services       |
| r.17.32     | Financial procedures should be reviewed and collated into a comprehensive Financial Procedures Manual. This will help to make procedures and standards clearer for employees to follow. | Financial Management Manual is around 60% complete. With the implementation of new systems, some areas are under review to ensure they match up to system and internal controls. | Manager Financial Services         |
| r.17.33     | Draft a standard operating procedure for investigating variances.   | Will make up part of financial management manual. Uncertain as to how much guidance is needed in the investigation of variances, it will likely be very generic.                 | Manager Financial Services         |
| r.17.34     | Continue to regularly reinforce records management protocols including the transfer of finalised documents into TRIM.   | Records Officers have improved and developed new induction and training documentation. With Manager of Information Services for review.  | Information Management Coordinator |
| r.17.36     | Ensure the complete procedure for the approval of financial payments is captured in a written procedure.  | This will be covered in the Financial Management Manual. With the implementation of P2P it is expected that this procedure will need review to ensure sound internal controls.   | Manager Financial Services         |

**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments   | Responsible Officer Position               |
|-------------|---|--|--|
| r.17.38     | Ensure that the cash management practice for the Shire is captured in a written procedure. Ensure all facilities where cash is collected have written procedures to support staff managing or handling the cash received.   | Cash management practices have been reviewed and will be added to the financial management manual.                       | Manager Financial Services                 |
| r.17.39     | Conduct periodic audits to ensure that the receipt forms are correctly signed. Ensure all relevant officers are promptly reminded of the correct procedure or receive further training, whenever the form is not correctly signed or completed.   |  | Manager Financial Services                 |
| r.17.40     | Review the Records Management Procedures Manual. Ensure the manual is reviewed regularly (every two years).   | Staff are working through individual tasks and creating SOPs that will form the new Records Management Procedures Manual | Information Management Coordinator         |
| r.17.42     | Consider expanding the scope of the Compliance Calendar to include legislative compliance matters in other departments. Alternatively, a separate global calendar could be created for this more expansive purpose.<br>Ensure all departments have an adequate system of monitoring legislative compliance. | Completed.   | Governance & Corporate Support Coordinator |

**Shire of Esperance**

**Audit Regulation 17 Review Q3 2024/2025**

| Action Code | Action Name   | Comments  | Responsible Officer Position              |
|-------------|---|---|---|
| r.17.45     | Review Complaint Handling Policy to ensure all types of complaints are captured including Public Interest Disclosures and Corruption & Crime Commissions reporting.                               | Documentation for complaint handling and the relevant policies and procedures are available on the Shire's website. | Director Corporate and Community Services |
| r.17.46     | Develop internal procedures to identify adverse trends if this is practicable (e.g. include item on Executive Team agenda for discussion; monitoring external customer and stakeholder feedback). | An item for this is included on all EMT Agendas.  | Director Corporate and Community Services |
| r.17.47     | Review the role of the audit committee with particular consideration towards increasing its involvement in matters relating to risk.  | Scope for Audit Committee was determined post the last election.  | Director Asset Management                 |
| r.17.48     | Ensure adequate training is provided to the independent member of the audit committee in regard to local government practices and the functions of the audit committee.                           | Not due until after the LG election when an independent chair is required for the Audit Committee.                  | Chief Executive Officer                   |
| r.17.49     | Incorporate into the Evaluation Report, a declaration to confirm relevant processes and legislative requirements have been met.   | Declaration has been included in the evaluation report.   | Director Asset Management                 |



# **Audit Regulation 17**

## **Action Status Summary**

**May 2025**



**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name   | Comments    | Responsible Officer Position               |
|-------------|---|-------------|--|
| r.17.1      | Include a review deadline in all council policies, with every endeavour being given to undertaking those reviews in a timely manner.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.2      | Draft and endorse a standard operating procedure for reviewing the Risk Register. This should address when identified risks are to be included in the register before the biennial review. Such risks may be identified, for example, through Hazard/Incident Report Forms.   | In Progress | Governance & Corporate Support Coordinator |
| r.17.3      | Undertake an audit/review of the Risk Management Procedures document, to ensure it is up to date and governance processes are being undertaken (e.g. internal audit on internal control procedures).<br><br>Include review details for the Risk Management Procedures document at the beginning or end of the document. | Completed   | Coordinator Workplace Health and Safety    |
| r.17.4      | Ensure the approval date and review dates are recorded in the Work Health and Safety Procedure – Workplace Inspections.   | Completed   | Coordinator Workplace Health and Safety    |
| r.17.5      | Draft a management practice or standard operating procedure for reviewing the BCP.  | Not Started | Coordinator Workplace Health and Safety    |
| r.17.6      | Include a reminder to review the BCP in the compliance calendar.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.7      | Include a review deadline in the IT Disaster Recovery Plan.   | Completed   | Manager Information Services               |
| r.17.8      | Draft a procedure to address incorrect accounting estimates, capturing how to avoid them in the first instance, and how to address them if they occur.  | In Progress | Manager Financial Services                 |
| r.17.9      | Draft a management practice for dealing with litigious matters.   | Not Started | Governance & Corporate Support Coordinator |
| r.17.10     | Continue reminding employees about the Employee Code of Conduct and other ethical matters on a regular basis.   | Ongoing     | Manager Human Resources                    |



**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name   | Comments    | Responsible Officer Position               |
|-------------|---|-------------|--|
| r.17.11     | Ensure a review deadline is included in all management practices.   | Completed   | Governance & Corporate Support Coordinator |
| r.17.12     | Ensure the revision history for all policies/plans/procedures is updated as reviews occur, including the Occupational Safety and Health Management Plan.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.13     | Review the Occupational Safety and Health Management Plan.  | Completed   | Coordinator Workplace Health and Safety    |
| r.17.14     | Review the Work Health and Safety Procedure – Working in Adverse Weather Conditions (February 2018) including the heading to ensure it reflects its intended purpose. Ensure the functions of the Health and Safety Committee are reflected in the procedural document where appropriate. | Completed   | Coordinator Workplace Health and Safety    |
| r.17.15     | Develop a procedure for managing insurable risks, including the need for officers to actively participate in the insurers annual risk assessment process.   | Not Started | Governance & Corporate Support Coordinator |
| r.17.16     | Ensure the six month follow up report is scheduled in the Compliance Calendar.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.17     | Draft and endorse a management procedure regarding the management of large projects. This would address the question of when a project manager or other external consultants should be hired, as well as additional financial and other risk mitigation strategies.                       | Not Started | Director Asset Management                  |
| r.17.18     | Ensure written guidance is provided to officers regarding when the (more extensive) evaluation process ought to occur, rather than allowing price to be the only consideration.   | Not Started | Director Asset Management                  |

**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name  | Comments    | Responsible Officer Position               |
|-------------|--|-------------|--|
| r.17.19     | Ensure changes to the Shire's control environment are regularly discussed at Organisational Management Team meetings.<br><br>Draft a short management practice regarding what control changes must be communicated to staff and how they are to be communicated. This may include responses to auditor comments, changes to legislation, policy reviews, management practice reviews, standard operating procedure reviews, etc. | In Progress | Director Corporate and Community Services  |
| r.17.20     | HR to conduct a review of individual business area inductions to ensure they are appropriate and are conducted consistently.   | Completed   | Manager Human Resources                    |
| r.17.21     | Review the New Employee Acknowledgment of Receipt to ensure all relevant/useful documents are included. This may, for example, include certain policies applicable to most or all employees.   | Completed   | Manager Human Resources                    |
| r.17.22     | Ensure IT practices are supported by written procedural documents. Ensure those documents are regularly reviewed.  | Ongoing     | Manager Information Services               |
| r.17.23     | Draft a policy to identify the Shire's standards regarding cyber security. Draft procedural documents to support officers working in this area.  | In Progress | Manager Information Services               |
| r.17.24     | Reinforce the requirement to record the use of delegations in accordance with statutory requirements. This may be a topic of an internal audit and/or could be addressed in the performance reviews of relevant officers.  | Not Started | Governance & Corporate Support Coordinator |
| r.17.25     | Ensure the Policy Review Checklist is either attached to, or referenced in, the relevant standard operating procedure.   | Completed   | Governance & Corporate Support Coordinator |
| r.17.26     | Begin a program of conducting periodic internal reviews of systems and procedures. This may address discrete topics such as recording the use of delegations or completion of cash acknowledgement forms.  | Deferred    | Director Corporate and Community Services  |
| r.17.27     | Ensure review deadlines are included in council policies, management practices and standard operating procedure.   | Completed   | Governance & Corporate Support Coordinator |

**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name   | Comments    | Responsible Officer Position               |
|-------------|---|-------------|--|
| r.17.28     | Draft a management procedure or standard operating procedure for engaging legal advisors. This should provide guidance on how to assess when legal advice is required and who is authorised to approve legal advice being sought. | Not Started | Governance & Corporate Support Coordinator |
| r.17.29     | Consider including employee authority levels regarding the execution of documents in job descriptions.  | Deferred    | Manager Human Resources                    |
| r.17.30     | Draft a written procedure for logging records in and out, to assist records officers.   | In Progress | Information Management Coordinator         |
| r.17.31     | Draft a standard operating procedure for the internal audits of IT software.  | Not Started | Manager Information Services               |
| r.17.32     | Financial procedures should be reviewed and collated into a comprehensive Financial Procedures Manual. This will help to make procedures and standards clearer for employees to follow.   | Ongoing     | Manager Financial Services                 |
| r.17.33     | Draft a standard operating procedure for investigating variances.   | In Progress | Manager Financial Services                 |
| r.17.34     | Continue to regularly reinforce records management protocols including the transfer of finalised documents into TRIM.   | Ongoing     | Information Management Coordinator         |
| r.17.35     | Develop and finalise the User Terms and Conditions.   | Ongoing     | Information Management Coordinator         |
| r.17.36     | Ensure the complete procedure for the approval of financial payments is captured in a written procedure.  | Ongoing     | Manager Financial Services                 |
| r.17.37     | Ensure all procedural documents are dated.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.38     | Ensure that the cash management practice for the Shire is captured in a written procedure. Ensure all facilities where cash is collected have written procedures to support staff managing or handling the cash received.         | In Progress | Manager Financial Services                 |

**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name  | Comments    | Responsible Officer Position               |
|-------------|--|-------------|--|
| r.17.39     | Conduct periodic audits to ensure that the receipt forms are correctly signed. Ensure all relevant officers are promptly reminded of the correct procedure or receive further training, whenever the form is not correctly signed or completed.  | Ongoing     | Manager Financial Services                 |
| r.17.40     | Review the Records Management Procedures Manual. Ensure the manual is reviewed regularly (every two years).  | Not Started | Information Management Coordinator         |
| r.17.41     | Include the Assets Register review in the Compliance Calendar.   | Completed   | Governance & Corporate Support Coordinator |
| r.17.42     | Consider expanding the scope of the Compliance Calendar to include legislative compliance matters in other departments. Alternatively, a separate global calendar could be created for this more expansive purpose. Ensure all departments have an adequate system of monitoring legislative compliance. | Completed   | Governance & Corporate Support Coordinator |
| r.17.43     | Complete the standard operating procedure for completing CARs before the next CAR deadline.<br><br>Ensure this addresses the standard of evidence/sampling required to adequately answer the questions.  | Completed   | Governance & Corporate Support Coordinator |
| r.17.44     | Consider including a consistent 'Governance Updates' section within each Handy Facts newsletter. This will ensure changes to policies, legislation and other governance issues are regularly considered and communicated to employees.   | Completed   | Governance & Corporate Support Coordinator |
| r.17.45     | Review Complaint Handling Policy to ensure all types of complaints are captured including Public Interest Disclosures and Corruption & Crime Commissions reporting.  | Completed   | Director Corporate and Community Services  |
| r.17.46     | Develop internal procedures to identify adverse trends if this is practicable (e.g. include item on Executive Team agenda for discussion; monitoring external customer and stakeholder feedback).  | Completed   | Director Corporate and Community Services  |

**Shire of Esperance**

**Audit Regulation 17 Action Status Summary**

| Action Code | Action Name   | Comments         | Responsible Officer Position               |
|-------------|---|------------------|--|
| r.17.47     | Review the role of the audit committee with particular consideration towards increasing its involvement in matters relating to risk.                                    | Completed        | Chief Executive Officer                    |
| r.17.48     | Ensure adequate training is provided to the independent member of the audit committee in regard to local government practices and the functions of the audit committee. | Not Due to Start | Chief Executive Officer                    |
| r.17.49     | Incorporate into the Evaluation Report, a declaration to confirm relevant processes and legislative requirements have been met.   | Completed        | Director Asset Management                  |
| r.17.50     | Draft and endorse the standard operating procedure to guide the local law review.   | Completed        | Governance & Corporate Support Coordinator |
| r.17.51     | Ensure local law reviews are begun in time to enable deadlines to be met. The Shire should be aware that this process often requires over a year to complete.           | Completed        | Governance & Corporate Support Coordinator |

Shire of Esperance  
Risk Dashboard Report  
November 2024

| Asset Sustainability practices   |          |                                      | Risk     | Control  |
|--|----------|--------------------------------------|----------|----------|
|  |          |                                      | Moderate | Adequate |
| Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads and playgrounds and all other assets during their lifecycle from procurement to disposal. |          |                                      |          |          |
| Actions  | Due Date | Responsibility                       |          |          |
| Develop SOPs for plant and equipment   | Dec-25   | Manager Asset Operations             |          |          |
| Develop SOPs for fleet management  | Dec-25   | Manager Asset Operations             |          |          |
| Develop SOPs for building routine maintenance  | Dec-25   | Manager Projects & Buildings         |          |          |
| Review SOPs for workshop equipment   | Dec-25   | Manager Asset Operations             |          |          |
| Implement risk assessment processes for high risk Assets   | Jun-26   | Manager Asset Planning & Development |          |          |
| Building routine maintenance to be incorporated into MEX   | Dec-25   | Manager Projects & Buildings         |          |          |
| Identify end users as a key stakeholder in the project management plan for capital and major replacements/upgrades of assets   | Dec-25   | Manager Projects & Buildings         |          |          |
| Create SOP for prioritising annual works programs  | Dec-25   | Manager Asset Planning & Development |          |          |

| Business & Community disruption  |          |                              | Risk     | Control  |
|--|----------|------------------------------|----------|----------|
|  |          |                              | Moderate | Adequate |
| Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party (e.g. sabotage / terrorism). |          |                              |          |          |
| Actions  | Due Date | Responsibility               |          |          |
| Develop Generator action plan  | Jun-25   | Manager Projects & Buildings |          |          |
| Test and review IT Disaster recovery plan  | Jul-25   | Manager Information Services |          |          |
| Review Business Continuity Plan with operational teams   | Jun-25   | Chief Executive Officer      |          |          |
| Develop cyber response plan  | Jul-25   | Manager Information Services |          |          |
| Airport Business Continuity Plan   | Jun-25   | Manager Economic Development |          |          |
| increased communication and awareness in emergency evacuation processes  | Jun-25   | Chief Warden                 |          |          |
| align safety officers and fire wardens to report to WHS committee and creating management practice   | Sep-25   | Chief Warden/WHS             |          |          |

| Compliance requirements  |          |   | Risk     | Control  |
|--|----------|---|----------|----------|
|  |          |   | Moderate | Adequate |
| Failure to fulfil Compliance requirements (statutory, regulatory)<br>Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. |          |   |          |          |
| Actions  | Due Date | Responsibility                                      |          |          |
| Develop SOPs on compliance.  | Jun-25   | Manager Development Services                        |          |          |
| Review induction process   | Jun-25   | Manager Human Resources                             |          |          |
| implementing standardised delegation register for recording use of delegations   | Jun-25   | Supervisor External Services<br>Customer Experience |          |          |
| investigate training opportunities for delegations (officer level)   | Dec-25   | Coordinator Governance & Corporate Support          |          |          |
| review procurement controls with implementation of procure to pay  | Sep-25   | Manager Financial Services                          |          |          |

| Document Management processes   |          |                                    | Risk     | Control  |
|---|----------|------------------------------------|----------|----------|
|   |          |                                    | Moderate | Adequate |
| Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation. |          |                                    |          |          |
| Actions   | Due Date | Responsibility                     |          |          |
| Implementing refresher training in records management system for all staff periodically.      | Mar-26   | Coordinator Information Management |          |          |
| Records manual to be updated  | Mar-26   | Coordinator Information Management |          |          |
| Records disaster recovery plan to be updated  | Mar-26   | Coordinator Information Management |          |          |

| Employment practices  |          |                         | Risk | Control  |
|---|----------|-------------------------|------|----------|
|   |          |                         | Low  | Adequate |
| Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers). |          |                         |      |          |
| Actions   | Due Date | Responsibility          |      |          |
| Establish HR SOPs (document control, approval and communication processes)  | Jun-25   | Manager Human Resources |      |          |
| Identify Critical Roles within the organisation   | Mar-25   | Manager Human Resources |      |          |
| improve cross organisational communication  | Dec-25   | OMG                     |      |          |
| educate staff on performance management/grivance process  | Dec-25   | Manager Human Resources |      |          |
| review performance review documentation - matrix for performance  | Dec-25   | Manager Human Resources |      |          |
| implement internal recruitment onboarding processes   | Dec-25   | Manager Human Resources |      |          |

| Engagement practices   |          |  | Risk     | Control  |
|--|----------|--|----------|----------|
|  |          |  | Moderate | Adequate |
| Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so. |          |  |          |          |
| Actions  | Due Date | Responsibility   |          |          |
| Finalise draft internal engagement plan  | Jun-25   | Manager Marketing and Communications   |          |          |
| Social media record keeping SOPs   | Dec-25   | Manager Marketing and Communications   |          |          |
| FAQ document for customer service staff to be continually updated. Process to be created for this.   | Jun-25   | Supervisor Asset Administration / Supervisor External Service<br>Customer Experience |          |          |
| Review DAIP  | Jun-25   | Manager Development Services   |          |          |
| Reassess social media use, including all pages   | Dec-25   | Manager Marketing and Communications   |          |          |
| Update communication and engagement strategy   | Dec-25   | Manager Marketing and Communications   |          |          |



Shire of Esperance  
Risk Dashboard Report  
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| Project / Change management  |          |                                    | Risk     | Control  |
|--|----------|------------------------------------|----------|----------|
|  |          |                                    | Moderate | Adequate |
| Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes. |          |                                    |          |          |
| Actions  | Due Date | Responsibility                     |          |          |
| Project contract management procedures   | Dec-25   | Coordinator Projects and Buildings |          |          |
| Create handy hints sheet for projects  | Dec-25   | Manager Financial Services         |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |
|  |          |                                    |          |          |

| Safety and Security practices  |          |                                | Risk     | Control  |
|--|----------|--------------------------------|----------|----------|
|  |          |                                | Moderate | Adequate |
| Non-compliance with the Work Health & Safety Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are negligence or carelessness. |          |                                |          |          |
| Actions  | Due Date | Responsibility                 |          |          |
| Establish emergency drill schedule for all sites   | Jun-25   | Chief Warden                   |          |          |
| Implement actions from LGIS audit  | Jun-25   | Coordinator WHS                |          |          |
| Security Upgrade (fobs)  | Jun-25   | Manager Projects & Buildings   |          |          |
| Introduce procedures for management of psychological hazards   | Jun-25   | Manager Human Resources        |          |          |
| Implement WHS system   | Jun-25   | Manager Human Resources        |          |          |
| Schedule regular communications for where to locate documents and procedures   | Jun-25   | Coordinator WHS                |          |          |
| Communicate the emergency plans for each work  | Jun-25   | Coordinator WHS                |          |          |
| Review site inductions   | Jun-25   | WHS Admin and Training Officer |          |          |
| develop and follow consistent procedures for investigations to resolve in reasonable timeframes  | Jun-25   | Coordinator WHS                |          |          |

| Supplier / Contract management  |          |                            | Risk     | Control  |
|---|----------|----------------------------|----------|----------|
|   |          |                            | Moderate | Adequate |
| Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes. |          |                            |          |          |
| Actions   | Due Date | Responsibility             |          |          |
| Contractor inductions & training in use of Rapid Global   | Jun-25   | Director Asset Management  |          |          |
| Develop procedure for minor contract supervision  | Jun-25   | Director Asset Management  |          |          |
| Review procurement process in line with procure to pay  | Dec-25   | Manager Financial Services |          |          |
|   |          |                            |          |          |
|   |          |                            |          |          |
|   |          |                            |          |          |
|   |          |                            |          |          |
|   |          |                            |          |          |
|   |          |                            |          |          |

| Council Plan Objectives  |          |  | Risk | Control  |
|--|----------|--|------|----------|
|  |          |  | Low  | Adequate |
| A source of loss or failure from the pursuit of an unsuccessful business plan.<br>This includes: <ul style="list-style-type: none"><li>• Poor or uninformed decisions</li><li>• Substandard execution of decisions</li><li>• Inadequate resource allocation</li><li>• Failure to respond to changes in the community</li></ul> Strategic risk can be classified as either internal or external.<br>Internal risks arise from variables which can be controlled, such as Human, Technological, Physical and Operational factors.<br>External risks arise from variables which can be managed but cannot be controlled, such as economics, politics, natural disasters and compliance. |          |  |      |          |
| Actions  | Due Date | Responsibility                               |      |          |
| Develop SOPs for Governance, corporate reporting and corporate support areas   | Dec-25   | Coordinator Governance and Corporate Support |      |          |
| Schedule ongoing internal and external communications for Council Plan   | Dec-25   | Manager Marketing & Communications           |      |          |
| Review Asset Management Plans  | Dec-25   | Manager Asset Planning & Development         |      |          |
| Develop IT Strategy  | Dec-25   | Manager Information Services                 |      |          |
|  |          |  |      |          |
|  |          |  |      |          |
|  |          |  |      |          |
|  |          |  |      |          |

| Child Safe Organisation  |          |                       | Risk | Control  |
|--|----------|-----------------------|------|----------|
|  |          |                       | Low  | Adequate |
| Inadequate management of children within the Shire of Esperance and non-compliance with relevant legislation to safeguard children when in Shire facilities or attending Shire events. |          |                       |      |          |
| Actions  | Due Date | Responsibility        |      |          |
| Discuss with DLGSC to determine what is required for Local Governments for the child safe framework  | Sep-25   | Community Development |      |          |
|  |          |                       |      |          |
|  |          |                       |      |          |
|  |          |                       |      |          |
|  |          |                       |      |          |
|  |          |                       |      |          |
|  |          |                       |      |          |



## Asset Sustainability practices

### Risk Context

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

Areas included in the scope are;

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

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

### Potential causes include:

|   |  |
|---|--|
| Skill level & behaviour of operators              | Unavailability of parts  |
| Lack of trained staff                             | Lack of formal or appropriate scheduling (maintenance / inspections) |
| Outdated equipment                                | Unexpected breakdowns  |
| Insufficient budget to maintain or replace assets |  |

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Procurement Process (New asset determination)                           | Preventative | Nov-24        | Adequate |
| Disposal Process  | Preventative | Nov-24        | Adequate |
| Roads Routine Maintenance Program                                       | Preventative | Nov-24        | Adequate |
| Roads / drainage asset inspections                                      | Preventative | Nov-24        | Adequate |
| Plant and equipment routine maintenance program                         | Preventative | Nov-24        | Adequate |
| Buildings routine maintenance program                                   | Preventative | Nov-24        | Adequate |
| Fleet Management System   | Preventative | Nov-24        | Adequate |
| Asset replacement program   | Preventative | Nov-24        | Adequate |
| Statutory requirements (licencing, etc) in place                        | Preventative | Nov-24        | Adequate |
| All maintenance and repairs are documented                              | Preventative | Nov-24        | Adequate |
| Reactive maintenance  | Recovery     | Nov-24        | Adequate |
| Equipment hire available if needed                                      | Recovery     | Nov-24        | Adequate |
| Review of Asset Management Processes                                    | Preventative | Nov-24        | Adequate |
| Review of Asset Management Plans  | Preventative | Nov-24        | Adequate |
| Asset specific risk assessment process and reporting on high risk asset | Preventative | Nov-24        | Adequate |
| Heritage 'Assets' Management Program                                    | Preventative | Nov-24        | Adequate |

### Control Assurance

| Control Owner                        | Control Documented | Control is understood | Accuracy | Comments   |
|--------------------------------------|--------------------|-----------------------|----------|--|
| Manager Asset Planning &             | Yes                | Yes                   | Yes      |  |
| Manager Asset Planning &             | Yes                | Yes                   | Yes      |  |
| Manager Asset Operations             | No                 | Yes                   | Yes      | Daily meetings with team to discuss road maintenance priorities<br>Review of maintenance programs completed September 2022                     |
| Manager Asset Operations             | No                 | Yes                   | Yes      | Undocumented process in place to ensure all roads in the Shire are inspected every 3 months. GIS system to improve this process implemented.   |
| Manager Asset Operations             | Yes                | Yes                   | Yes      | MEX program implemented  |
| Manager Projects & Buildings         | No                 | Yes                   | Yes      | Future program to roll into Mex  |
| Manager Asset Operations             | Yes                | Yes                   | Yes      | MEX program implemented  |
| Manager Asset Planning &             | Yes                | Yes                   | Yes      |  |
| Manager Asset Operations             | Yes                | Yes                   | Yes      |  |
| Manager Asset Planning &             | Yes                | Yes                   | Yes      |  |
| Manager Asset Planning &             | Yes                | Yes                   | Yes      |  |
| Manager Asset Operations             | Yes                | Yes                   | Yes      |  |
| Director Asset Management            | Yes                | Yes                   | Yes      | SAMP - to be reviewed 4 yearly   |
| Director Asset Management            | Yes                | Yes                   | Partial  | Ongoing improvements, some Plans have been reviewed others are still to be reviewed. Schedule of reviews developed to occur on 3 yearly basis. |
| Director Asset Management            | No                 |                       |          | Not documented, as required.   |
| Manager Asset Planning & Development | Yes                | Partial               | Yes      | Local heritage survey - management program to be reviewed  |

|                       |              |        |          |
|-----------------------|--------------|--------|----------|
| Stock Management      | Preventative | Nov-24 | Adequate |
| Pre-start inspections | Detective    | Nov-24 | Adequate |

|                          |          |
|--------------------------|----------|
| Overall Control Ratings: | Adequate |
|--------------------------|----------|

| Actions  | Date Added | Due Date | Responsibility                       |
|--|------------|----------|--------------------------------------|
| Develop SOPs for plant and equipment   | Jan-21     | Dec-25   | Manager Asset Operations             |
| Develop SOPs for fleet management  | Jan-21     | Dec-25   | Manager Asset Operations             |
| Develop SOPs for building routine maintenance  | Jan-21     | Dec-25   | Manager Projects & Buildings         |
| Review SOPs for workshop equipment   | Jan-21     | Dec-25   | Manager Asset Operations             |
| Implement risk assessment processes for high risk Assets   | Oct-18     | Jun-26   | Manager Asset Planning & Development |
| Building routine maintenance to be incorporated into MEX   | Oct-22     | Dec-25   | Manager Projects & Buildings         |
| Identify end users as a key stakeholder in the project management plan for capital and major replacements/upgrades of assets | Nov-24     | Dec-25   | Manager Projects & Buildings         |
| Create SOP for prioritising annual works programs  | Nov-24     | Dec-25   | Manager Asset Planning & Development |

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

|                          |     |     |     |                 |
|--------------------------|-----|-----|-----|-----------------|
| Manager Asset Operations | Yes | Yes | Yes |                 |
| Manager Asset Operations | Yes | Yes | Yes | Rolling out MEX |

[illegible]

## Business & Community disruption

### Risk Context

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

This includes;

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

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

### Potential causes include:

|   |                            |
|---|----------------------------|
| Cyclone, storm, fire, earthquake          | Extended utility outage    |
| Terrorism / sabotage / criminal behaviour | Economic Factors           |
| Epidemic / Pandemic                       | Loss of key staff          |
| Loss of suppliers                         | Loss of key infrastructure |

| Key Controls   | Type         | Reviewed Date | Rating     |
|--|--------------|---------------|------------|
| Local Emergency Management Arrangements (LEMA)             | Preventative | Nov-24        | Adequate   |
| Bushfire Risk Management Plan                              | Preventative | Nov-24        | Adequate   |
| Volunteer management                                       | Preventative | Nov-24        | Adequate   |
| Community 'all hazard' education                           | Preventative | Nov-24        | Adequate   |
| Business Continuity Framework (Policy, Procedures & Plans) | Preventative | Nov-24        | Adequate   |
| Internal Emergency Management Plan                         | Preventative | Nov-24        | Adequate   |
| Generator  | Recovery     | Nov-24        | Inadequate |
| I.T. Disaster Recovery Process                             | Recovery     | Nov-24        | Adequate   |
| Workforce Plan   | Preventative | Nov-24        | Adequate   |

### Control Assurance

| Control Owner                       | Control Documented | Control is understood | Accuracy | Comments  |
|-------------------------------------|--------------------|-----------------------|----------|---|
| Manager Ranger & Emergency          | Yes                | Yes                   | Yes      | Council November OCM  |
| Manager Ranger & Emergency Services | Yes                | Yes                   | Yes      | Completed Sept 2021   |
| Manager Human Resources             | Yes                | Yes                   | Yes      | Volunteer policy and management practice in place. Induction manual completed and volunteer code of conduct available.  |
| Manager Ranger & Emergency Services | Yes                | Yes                   | Yes      | Processes in place and information available, ongoing development.  |
| Chief Executive Officer             | Yes                | Yes                   | Yes      | 22/10/2020: comments that the continuity plan is not set up for pandemic situations noted that this is more around resourcing rather than the framework<br>Noted that this is a high level document and we may require lower level plans to support - LGIS to review. |
| Chief Warden                        | Yes                | Yes                   | Yes      | Outcentre procedures developed. 2 year reviews  |
| Manager Projects & Buildings        | No                 |                       |          |   |
| Manager Information Services        | Yes                | Yes                   | Partial  | 2020: changed title to process rather than plan. Noted that the process is adequate, the Plan has been developed but needs updating.  |
| Manager Human Resources             | Yes                | Yes                   | Yes      | plan has been updated and endorsed.   |

| Business & Community disruption  |                       |          |                              |
|--|-----------------------|----------|------------------------------|
| Volunteer training (Bushfire)  | Preventative          | Nov-24   | Adequate                     |
| Overall Control Ratings:   |                       |          | Adequate                     |
| Actions  | Date Added            | Due Date | Responsibility               |
| Develop Generator action plan  | Jul-18                | Jun-25   | Manager Projects & Buildings |
| Test and review IT Disaster recovery plan  | Jul-18                | Jul-25   | Manager Information Services |
| Review Business Continuity Plan with operational teams   | Oct-22                | Jun-25   | Chief Executive Officer      |
| Develop cyber response plan  | Oct-22                | Jul-25   | Manager Information Services |
| Airport Business Continuity Plan   | Nov-24                | Jun-25   | Manager Economic Development |
| increased communication and awareness in emergency evacuation processes                            | Nov-24                | Jun-25   | Chief Warden                 |
| align safety officers and fire wardens to report to WHS committee and creating management practice | Apr-25                | Sep-25   | Chief Warden/WHS             |
| Consequence Category   | Risk Ratings          |          | Rating                       |
| Service Interruption / Reputation  | Consequence:          |          | Major (4)                    |
|  | Likelihood:           |          | Unlikely (2)                 |
|  | Overall Risk Ratings: |          | Moderate                     |

|                                     |     |     |     |  |
|-------------------------------------|-----|-----|-----|--|
| Manager Ranger & Emergency Services | Yes | Yes | Yes | New WHS process for training implemented. Working with farmers to differentiate between volunteer and farmer response. |
|-------------------------------------|-----|-----|-----|--|

| Status of Actions   | Comments   |
|---|--|
| <p>Aug 20: Generator purchased for airport, issues with install being reviewed and no ETA for this has been provided. Standby generator to be installed at Admin (old Wylie Bay genset).</p> <p>23/12/2019: new generator on order for airport. Old airport generator will be installed permanently at the depot for emergencies. Amend due date from Dec 19.</p> <p>30/06/2021: Budget bid for installation of generator in included in next years budget</p> <p>17/10/2022: update due date from June 2022.</p> <p>Oct 2024: Electrical design being conducted for Depot Generator</p> <p>Apr 2025: upgrade to switchboard required to allow changeover</p>       |  |
| <p>August 2020: Still in development, delayed due to staff leaving/COVID</p> <p>In progress, testing planned for Jan 2019. Amend date from June 2020.</p> <p>June 2019: Still in progress amend date from Feb 2019.</p> <p>June 2021: DR Plan is approved by the Audit Committee and Council. Still need to update forms and test.</p> <p>05/09/2022: Also need to test &amp; review the 'Records Disaster Recovery Plan' at the same time.</p> <p>21/10/2022: to be reviewed and updated. Update due date from June 2022.</p> <p>Oct 2024: the DR Plan is being rewritten to incorporate the findings of the OAG review into LG ICT Disaster Recovery Planning</p> | Duplicate Action in IT or communication systems and infrastructure profile |
| <p>Oct 2024: Deferred - does not sit with WHS</p> <p>Nov 24: determined that this is something EMT need to discuss as to who is responsible for administering the plan/s</p> <p>Apr 2025: requested quote from LGIS for review</p>  | Include pandemic information?  |
| Oct 2024: Work on the Cyber Response Plan is continuing as resources allows.  |  |
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|   |  |

## Compliance requirements

### Risk Context

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

### Potential causes include:

|  |  |
|--|--|
| Lack of training, awareness and knowledge                          | Lack of Legal Expertise  |
| Staff / Councillor Turnover  | No Compliance Officer or person responsible for Compliance oversight and enforcement |
| Inadequate record keeping/ failure of corporate electronic systems | Breakdowns in the tender or procurement process                                      |
| Ineffective policies & processes                                   | Ineffective monitoring of changes to legislation                                     |

| Key Controls  | Type         | Reviewed Date | Rating    |
|---|--------------|---------------|-----------|
| Compliance framework / calendar                         | Preventative | Nov-24        | Adequate  |
| 'Advice' monitoring (subscriptions & memberships)       | Preventative | Nov-24        | Adequate  |
| Aquatic facilities monitoring                           | Preventative | Nov-24        | Adequate  |
| Annual Compliance Return                                | Detective    | Nov-24        | Adequate  |
| Local laws review process                               | Preventative | Nov-24        | Adequate  |
| Procurement Controls                                    | Preventative | Nov-24        | Adequate  |
| Financial interest return                               | Detective    | Nov-24        | Adequate  |
| Training and Induction Process - Councillors            | Preventative | Nov-24        | Adequate  |
| Training Induction Process - Staff                      | Preventative | Nov-24        | Adequate  |
| Delegation Register                                     | Preventative | Nov-24        | Adequate  |
| Council report items identify statutory implications    | Preventative | Nov-24        | Adequate  |
| CM Work flow notification process                       | Preventative | Nov-24        | Adequate  |
| External Compliance policy                              | Preventative | Nov-24        | Adequate  |
| Maintaining compliance with civil aviation act and regs | Preventative | Nov-24        | Effective |
| Audits  | Detective    | Nov-24        | Adequate  |

### Control Assurance

| Control Owner                                | Control Documented | Control is understood | Accuracy | Comments   |
|--|--------------------|-----------------------|----------|--|
| Director Corporate and Community Services    | Yes                | Yes                   | Yes      | Included in EMT meetings monthly.  |
| CEO/Information Management Coordinator       | No                 |                       |          | Notifications from third parties providing information on updates to processes and legislation etc.  |
| Manager Development Services                 | Yes                | Yes                   | Yes      |  |
| Director Corporate and Community Services    | Yes                | Yes                   | Yes      | Sent to Department of Local Government in March each year.   |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      | required to be reviewed every 8 years - register tracks when each are due for review.  |
| Director Corporate and Community Services    | Yes                | Yes                   | Yes      |  |
| CEO  | Yes                | Yes                   | Yes      |  |
| Executive Assistant                          | Yes                | Yes                   | Yes      |  |
| Manager Human Resources                      | Yes                | Yes                   | Yes      |  |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      | reviewed by Council every 12 months<br>SOP developed - investigate programs  |
| CEO  | Yes                | Yes                   | Yes      | Noted that some cloned reports don't have current statutory/strategic information included as these need to be manually changed.   |
| Manager Information Services                 | No                 |                       |          | CM has been upgraded - action in Document Management profile   |
| Manager Development Services                 | Yes                | Partial               | Yes      | Policy adopted by Council early 2022. Review of active compliance matters against the policy has been completed and awaiting council review/consideration. Community education initiatives underway. |
| Manager Economic Development                 | Yes                | Yes                   | Yes      | Annual/Biennial audits undertaken - mix of external audits and updating manuals which are then signed off by external parties.   |
| Director Corporate and Community Services    | Yes                | Yes                   | Yes      | Internal audit approach processes  |

|   |              |        |          |
|---|--------------|--------|----------|
| Regulation 17 review of processes, systems and procedures | Preventative | Nov-24 | Adequate |
| Overall Control Ratings:                                  |              |        | Adequate |

| Actions  | Date Added | Due Date | Responsibility                                   |
|--|------------|----------|--|
| Develop SOPs on compliance.  | Oct-18     | Jun-25   | Manager Development Services                     |
| Review induction process   | Oct-22     | Jun-25   | Manager Human Resources                          |
| implementing standardised delegation register for recording use of delegations | Nov-24     | Jun-25   | Supervisor External Services Customer Experience |
| investigate training opportunities for delegations (officer level)             | Nov-24     | Dec-25   | Coordinator Governance & Corporate Support       |
| review procurement controls with implementation of procure to pay              | Nov-24     | Sep-25   | Manager Financial Services                       |
|  |            |          |  |

| Consequence Category  | Risk Ratings                 | Rating              |
|-----------------------|------------------------------|---------------------|
| Reputation, Financial | <i>Consequence:</i>          | <i>Moderate (3)</i> |
|                       | <i>Likelihood:</i>           | <i>Unlikely (2)</i> |
|                       | <b>Overall Risk Ratings:</b> | <b>Moderate</b>     |

|   |    |  |  |  |
|---|----|--|--|--|
| Director Corporate and Community Services | No |  |  | Review in progress, SOP to be developed following completion of process. |
|---|----|--|--|--|

| Status of Actions  | Comments |
|--|----------|
| <p>Working through various SOPs at the moment, in particular Dog Attacks, Compliance. Sharks Policy update due to be put up at December 22 OCM, management practice to follow. Advised that no due date is provided at this stage as currently staff are focussing on other areas. Once Ranger SOPs are completed, will move onto Waste/Health areas.</p> <p>Oct 2024: A gap analysis has been completed for all areas of waste and health to determine where an SOP is in place that needs to be reviewed and if a new SOP is required. This information is captured in a spreadsheet for tracking and reporting.</p> |          |
| <p>Oct 2024: HR have reviewed Work Metrics Induction module with the aim of developing and implementing in 2024/25.</p>  |          |
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|  |          |

## Document Management processes

### Risk Context

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

This includes:

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

### Potential causes include:

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

| Key Controls   | Type         | Reviewed Date | Rating           |
|--|--------------|---------------|------------------|
| Document receipt process (scanned, registered, dated & actioned) | Preventative | Nov-24        | <b>Effective</b> |
| Records Management system (Authority/Trim)                       | Preventative | Nov-24        | <b>Effective</b> |
| Documentation archival / storage process                         | Preventative | Nov-24        | <b>Effective</b> |
| Records Management Processes / Manual                            | Preventative | Nov-24        | <b>Adequate</b>  |
| Records disaster recovery plan                                   | Recovery     | Nov-24        | <b>Adequate</b>  |
| Training and induction   | Preventative | Nov-24        | <b>Adequate</b>  |
| Councillor training in records management procedure              | Preventative | Nov-24        | <b>Adequate</b>  |
| Records management security                                      | Preventative | Nov-24        | <b>Adequate</b>  |
| <b>Overall Control Ratings:</b>                                  |              |               | <b>Adequate</b>  |

### Control Assurance

| Control Owner                      | Control Documented | Control is understood | Accuracy | Comments  |
|------------------------------------|--------------------|-----------------------|----------|---|
| Manager Information Services       | Yes                | Yes                   | Yes      | Noted this should not be excellent as still working through digitisation backlog<br>Receipt process for new documents is effective, working through backlogs of information.        |
| Manager Information Services       | Yes                | Yes                   | Yes      |   |
| Manager Information Services       | Yes                | Yes                   | Yes      | Set process determined by record keeping plan, due for review 2025  |
| Manager Information Services       | Yes                | Yes                   | Yes      |   |
| Manager Information Services       | Yes                | Yes                   | Yes      |   |
| Manager Information Services       | Yes                | Yes                   | Yes      | Noted that further training in CM is beneficial after approximately 3 weeks one staff have begun using the system. Records staff monitor key users to arrange for further training. |
| Coordinator Information Management | Yes                | Yes                   | Yes      | Regular training held with Councillors - records to be sent to Shire email for Records staff to save in CM  |
| Manager Information Services       | Yes                | Yes                   | Yes      | Security issues hard to identify as most are due to staff input errors. Currently undertaking audit of CM activity.   |

| Actions  | Date Added | Due Date | Responsibility                     |
|--|------------|----------|------------------------------------|
| Implementing refresher training in records management system for all staff periodically. | Nov-24     | Mar-26   | Coordinator Information Management |
| Records manual to be updated   | Nov-24     | Mar-26   | Coordinator Information Management |
| Records disaster recovery plan to be updated   | Nov-24     | Mar-26   | Coordinator Information Management |
|  |            |          |                                    |
|  |            |          |                                    |
|  |            |          |                                    |
|  |            |          |                                    |

  

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

[illegible]



| Employment practices   |   |               |          |
|--|---|---------------|----------|
| Risk Context   |   |               |          |
| Failure to effectively manage and lead human resources (full-time, part-time, casuals, temporary and volunteers).  |   |               |          |
| <p>This includes:</p> <ul style="list-style-type: none"> <li>-Not having appropriately qualified or experienced people in the right roles.</li> <li>-Insufficient staff numbers to achieve objectives.</li> <li>-Breaching employee regulations.</li> <li>-Discrimination, harassment &amp; bullying in the workplace.</li> <li>-Poor employee wellbeing (causing stress).</li> <li>-Key person dependencies without effective succession planning in place.</li> <li>-Industrial activity.</li> </ul> |   |               |          |
| Potential causes include:  |   |               |          |
| Leadership failures  | Ineffective performance management programs or procedures |               |          |
| Key / single-person dependencies   | Limited staff availability - labour market conditions     |               |          |
| Poor internal communications / relationships   | Inadequate induction practices                            |               |          |
| Ineffective Human Resources policies, procedures and practices   | Inconsistent application of policies                      |               |          |
| Key Controls   | Type  | Reviewed Date | Rating   |
| Induction & onboarding process (including Code of Conduct)   | Preventative  | Nov-24        | Adequate |
| Organisational training and development  | Preventative  | Nov-24        | Adequate |
| Performance Management process (discipline / reviews)  | Preventative  | Nov-24        | Adequate |
| Staff offboarding process  | Preventative  | Nov-24        | Adequate |
| Workforce Planning   | Preventative  | Nov-24        | Adequate |
| Volunteer Management (exc. Emergency)  | Preventative  | Nov-24        | Adequate |
| Review of HR policies and procedures   | Preventative  | Nov-24        | Adequate |

| Control Assurance       |                    |                       |          |  |
|-------------------------|--------------------|-----------------------|----------|--|
| Control Owner           | Control Documented | Control is understood | Accuracy | Comments   |
| Manager Human Resources | Yes                | Yes                   | Yes      | Core HR induction processes are adequate, teams need to make improvements on area specific inductions for their staff.<br><br>Onboarding processes to be improved.   |
| Manager Human Resources | Yes                | Yes                   | Yes      | Noted that recording of training records needs improvement, particularly for those staff who have existing qualifications/tickets when commencing with us. Advised that in some cases this has been provided by the employee and is lost or not recorded in the system.<br><br>Training registers have improved with cross-departmental collaboration to capture information in this regard and provide ongoing monitoring.<br><br>Need to ensure compliance with changes in legislation, such as new licences required under WHS Act. |
| Manager Human Resources | Yes                | Yes                   | Yes      | Processes are adequate.<br>Management/supervisory staff require further training and to hold their staff accountable.  |
| Manager Human Resources | Yes                | Yes                   | Yes      | Offboarding process to be put in place similar to onboarding commencement form   |
| Manager Human Resources | Yes                | Yes                   | Yes      | Current workforce plan 2017-2021. Noted that retention of Business Analyst position is necessary to assist the organisation with efficiencies and workflows.   |
| Manager Human Resources | Partial            | Yes                   | Yes      | Policy complete.   |
| Manager Human Resources | Partial            | Yes                   | Yes      | Policies documented, need to be updated to capture WHS legislation and change to state system. SOPs need to be documented  |

| Retention of corporate knowledge   | Preventative                 | Nov-24   | <b>Adequate</b>         |
|--|------------------------------|----------|-------------------------|
| Adequate Staff for service requirements                                    | Preventative                 | Nov-24   | <b>Adequate</b>         |
| Volunteer Management (Emergency)   | Preventative                 | Nov-24   | <b>Adequate</b>         |
| Employee Survey  | Detective                    | Nov-24   | <b>Adequate</b>         |
| <b>Overall Control Ratings:</b>  |                              |          | <b>Adequate</b>         |
| Actions  | Date Added                   | Due Date | Responsibility          |
| Establish HR SOPs (document control, approval and communication processes) | Jul-18                       | Jun-25   | Manager Human Resources |
| Identify Critical Roles within the organisation                            | Jan-21                       | Mar-25   | Manager Human Resources |
| improve cross organisational communication                                 | Nov-24                       | Dec-25   | OMG                     |
| educate staff on performance management/griveance process                  | Nov-24                       | Dec-25   | Manager Human Resources |
| review performance review documentation - matrix for performance           | Nov-24                       | Dec-25   | Manager Human Resources |
| implement internal recruitment onboarding processes                        | Nov-24                       | Dec-25   | Manager Human Resources |
|  |                              |          |                         |
|  |                              |          |                         |
|  |                              |          |                         |
|  |                              |          |                         |
| Consequence Category   | Risk Ratings                 |          | Rating                  |
| Compliance, Health, Reputational, Financial                                | <b>Consequence:</b>          |          | Minor (2)               |
|  | <b>Likelihood:</b>           |          | Unlikely (2)            |
|  | <b>Overall Risk Ratings:</b> |          | <b>Low</b>              |

|                                       |         |     |         |  |
|---------------------------------------|---------|-----|---------|--|
| Manager Human Resources               | Partial | Yes | Partial | Succession planning and retention of corporate knowledge requires development across the organisation.<br>Progressing SOP development. |
| CEO                                   | Yes     | Yes | Yes     | Noted that there are training/skills gaps for staff, generally in historical roles or due to internal movements.                       |
| Manager Ranger and Emergency Services | Yes     | Yes | Yes     | Spontaneous volunteer SOP developed - part of local recovery plan.   |
| Manager Human Resources               | Yes     | Yes | Yes     | Last undertaken in 2024.   |

| Status of Actions   | Comments |
|---|----------|
| in progress, being completed as resources are available<br>30/06/2021: SOP's are being developed as time permits.<br>04/02/2022: amended due date from Dec 21 to June 22<br>05/09/2022: Review of HR documentation workflow being undertaken. SOP to be developed post review. Volunteer management<br>Oct 2024: HR team have been heavily involved in updating new employee documents and updating Authority.  |          |
| Form part of workforce plan - to be reviewed shortly<br>17/12/2019: amend due date from Dec 19<br>30/06/2021: Business Continuity Plan is currently being reviewed. Critical roles in relation to incidents have been identified in this Plan.<br>04/02/2022: amended due date from Dec 21 to June 22<br>05/09/2022: As part of EBA process review undertaken critical roles identified and remuneration anomalies identified.o. New Classification definitions established.<br>Oct 2024: Not started |          |
|   |          |
| suggested matrix ideas - need option between not meeting and meeting requirements. More guidance on how to score someone for each level.  |          |
|   |          |
|   |          |
|   |          |
|   |          |

## Engagement practices

### Risk Context

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

For example;

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

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

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating    |
|---|--------------|---------------|-----------|
| Stakeholder interaction/consultation relating to various department projects              | Preventative | Nov-24        | Adequate  |
| Social media monitoring   | Preventative | Nov-24        | Effective |
| Facilitate local volunteering   | Preventative | Nov-24        | Adequate  |
| Support local Volunteer groups  | Preventative | Nov-24        | Adequate  |
| Community/media communications (public notices / local papers / website / message boards) | Preventative | Nov-24        | Effective |
| Complaints management process   | Recovery     | Nov-24        | Adequate  |
| Dedicated staff resources   | Preventative | Nov-24        | Adequate  |
| Community Perceptions Survey  | Preventative | Nov-24        | Adequate  |

### Control Assurance

| Control Owner                          | Control Documented | Control is understood | Accuracy | Comments   |
|--|--------------------|-----------------------|----------|--|
| CEO                                    | Yes                | Yes                   | Yes      | Delivery of information to the media team needs to be timely.  |
| Manager Marketing and Communications   | Yes                | Yes                   | Yes      | Continually updating processes and availability of systems. Upskill/training of staff as necessary.  |
| Volunteer Resource Centre Coordinator  | Yes                | Yes                   | Yes      | EVRC facilitates local volunteering in the community providing training and support to local volunteer involving organisations, as well as promoting volunteer opportunities within them |
| Community Development & Events Manager | Yes                | Yes                   | Yes      | Community Development and Events Team work with existing sporting and volunteer groups to ensure funding and development opportunities.  |
| Manager Marketing and Communications   | Yes                | Yes                   | Yes      |  |
| CEO                                    | Yes                | Yes                   | Yes      |  |
| CEO                                    | Yes                | Yes                   | Yes      |  |
| Manager Marketing and Communications   | Yes                | Yes                   | Yes      | To occur 2023.   |

|  |                              |                 |   |
|--|------------------------------|-----------------|---|
| Disability access and inclusion plan   | Preventative                 | Nov-24          | <b>Adequate</b>   |
| Communication and Engagement Strategy  | Preventative                 | Nov-24          | <b>Adequate</b>   |
| Consultation requirements with Council agenda report items   | Preventative                 | Nov-24          | <b>Effective</b>  |
| <b>Overall Control Ratings:</b>  |                              |                 | <b>Adequate</b>   |
| <b>Actions</b>   | <b>Date Added</b>            | <b>Due Date</b> | <b>Responsibility</b>   |
| Finalise draft internal engagement plan  | Oct-22                       | Jun-25          | Manager Marketing and Communications  |
| Social media record keeping SOPs   | Oct-22                       | Dec-25          | Manager Marketing and Communications  |
| FAQ document for customer service staff to be continually updated. Process to be created for this. | Nov-24                       | Jun-25          | Supervisor Asset Administration / Supervisor External Service Customer Experience |
| Review DAIP  | Nov-24                       | Jun-25          | Manager Development Services  |
| Reassess social media use, including all pages   | Nov-24                       | Dec-25          | Manager Marketing and Communications  |
| Update communication and engagement strategy   | Nov-24                       | Dec-25          | Manager Marketing and Communications  |
|  |                              |                 |   |
| <b>Consequence Category</b>  | <b>Risk Ratings</b>          |                 | <b>Rating</b>   |
| Reputation   | <b>Consequence:</b>          |                 | <i>Minor (2)</i>  |
|  | <b>Likelihood:</b>           |                 | <i>Possible (3)</i>   |
|  | <b>Overall Risk Ratings:</b> |                 | <b>Moderate</b>   |

|                                      |     |     |     |   |
|--------------------------------------|-----|-----|-----|---|
| Manager Development Services         | Yes | Yes | Yes | Plan endorsed, working group in place. Noted that the DAIP Working Group should review all applications received for Shire projects as most are reviewed against Aus Standards which can be not practical from a DAIP perspective. SOP/MP to be developed for this process/update existing SOPs for this process?<br><br>Staff to receive training to increase understanding of DAIP requirements. Require commitment from Staff to consider DAIP in BAU. |
| Manager Marketing and Communications | Yes | Yes | Yes |   |
| Executive Assistant                  | Yes | Yes | Yes |   |

| Status of Actions  | Comments |
|--|----------|
| Oct 2024: Not started  |          |
| SOPs to be developed in conjunction with Records.<br>Oct 2024: Not started |          |
|  |          |
| Provided to DAIP members for feedback.                                     |          |
|  |          |
|  |          |
|  |          |

## Environment management

### Risk Context

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

The scope includes;

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

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Environment management monitoring                                 | Preventative | Nov-24        | Adequate |
| Recreational water monitoring                                     | Preventative | Nov-24        | Adequate |
| Drinking water monitoring   | Preventative | Nov-24        | Adequate |
| Biosecurity monitoring  | Reactive     | Nov-24        | Adequate |
| Mosquito monitoring   | Preventative | Nov-24        | Adequate |
| Community education & engagement e.g. schools (Waste)             | Preventative | Nov-24        | Adequate |
| Bushfire risk mitigation  | Preventative | Nov-24        | Adequate |
| Support volunteer environment management groups and community     | Preventative | Nov-24        | Adequate |
| Environmental monitoring, testing and inspection programs (waste) | Preventative | Nov-24        | Adequate |
| Waste Management Policies and procedures                          | Preventative | Nov-24        | Adequate |
| Weed control  | Preventative | Nov-24        | Adequate |

### Control Assurance

| Control Owner   | Control Documented | Control is understood | Accuracy | Comments  |
|---|--------------------|-----------------------|----------|---|
| Manager Parks and Environment   | Yes                | Yes                   | Yes      |   |
| Manager Development Services  | Yes                | Yes                   | Yes      |   |
| Manager Development Services  | Yes                | Yes                   | Yes      |   |
| Manager Sustainability and Resource Recovery/Manager Development Services/Manager Ranger and Emergency Services | Yes                | Yes                   | Yes      | waste acceptance, animal management facility, general biosecurity threats.                            |
| Manager Development Services  | Yes                | Yes                   | Yes      | Seasonal  |
| Manager Sustainability and Resource Recovery  | Yes                | Yes                   | Yes      | Council adoption of community engagement strategy for FOGO, progressively being implemented.          |
| Manager Ranger & Emergency Services   | Yes                | Yes                   | Yes      | bushfire risk mitigation plan - reviewed 5 yearly, next due 2026. Works completed subject to funding. |
| Manager Parks and Environment   | Yes                | Yes                   | Yes      | Reported through monthly reporting. Monitored and acquitted through grant processes.                  |
| Manager Sustainability and Resource Recovery  | Yes                | Yes                   | Yes      |   |
| Manager Sustainability and Resource Recovery  | Yes                | Yes                   | Yes      |   |
| Manager Parks and Environment   | Yes                | Yes                   | Yes      | Weed and seed training with outdoor staff and supervisors.  |

|   |              |        |           |
|---|--------------|--------|-----------|
| Implementation of Native vegetation clearing permits                                | Preventative | Nov-24 | Adequate  |
| Reporting unauthorised native vegetation clearing by external parties on Shire land | Reactive     | Nov-24 | Adequate  |
| Review Reserve Management Orders  | Preventative | Nov-24 | Adequate  |
| Town Planning Scheme  | Preventative | Nov-24 | Effective |
| Coastal Hazard Adaptation Strategy  | Preventative | Nov-24 | Adequate  |
| Coastal Management Plan   | Preventative | Nov-24 | Adequate  |
| Dempster Head Management Plan   | Preventative | Nov-24 | Adequate  |
| Playground and Public Open Space Strategy   | Preventative | Nov-24 | Adequate  |
| Pink Lake Feasibility Study   | Preventative | Nov-24 | Adequate  |
| Waste Management external audit and compliance with acts and regulations            | Detective    | Nov-24 | Adequate  |
| Overall Control Ratings:  |              |        | Adequate  |

| Actions  | Date Added | Due Date | Responsibility                |
|--|------------|----------|-------------------------------|
| Review Reserve Hierarchy   | Oct-22     | Dec-25   | Manager Parks and Environment |
| Resolve waste water issue at Depot- Propose to remove current washdown bay | May-18     | Jun-26   | Director Asset Management     |
| Prioritise the weed strategy   | Sep-18     | Jun-25   | Manager Parks and Environment |

|  |         |     |     |  |
|--|---------|-----|-----|--|
| Director Asset Management                    | Yes     | Yes | Yes | Information included in Intramaps. Construction and environmental officer meetings, as required. |
| Manager Parks and Environment                | Partial | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes | Discuss with Planning - mandatory.   |
| Manager Development Services                 | Yes     | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes |  |
| Manager Parks and Environment                | Yes     | Yes | Yes |  |
| Manager Sustainability and Resource Recovery | Yes     | Yes | Yes | Waste local law drafted.   |

| Status of Actions   | Comments |
|---|----------|
| Oct 2024: Not started<br>Commenced, Jeanette working through.   |          |
| June 2019: AM Managers advised that pound is required to be moved prior to this being completed.<br>22/10/2020: amend due date from Jun 20.<br>16/05/2022: amend due date from Jun 21 to Jun 23.<br>Oct 2024: Not started<br>25/26 budget |          |
| Possible local law - dependant on motion to be discussed at August 2020 Council Meeting.<br>priorities to be determined based on budget/resources<br>Oct 2024: Not started<br>To be completed this financial year, Kat W working on.      |          |

|  |        |        |  |
|--|--------|--------|--|
| Review requirement for model waste local laws                              | Jun-18 | Jun-25 | Manager Sustainability and Resource Recovery |
| Create SOP for unauthorised native clearing by third parties on Shire land | Nov-24 | Jun-25 | Manager Parks and Environment                |
|  |        |        |  |
|  |        |        |  |

| Consequence Category               | Risk Ratings          | Rating       |
|------------------------------------|-----------------------|--------------|
| Environment, Reputation, Financial | Consequence:          | Moderate (3) |
|                                    | Likelihood:           | Possible (3) |
|                                    | Overall Risk Ratings: | Moderate     |

|  |  |
|--|--|
| 10/12/2019: Amended due date to 2021 as process not yet started and will take approximately 12 months to complete. To be developed in conjunction with 3rd bin system. Process should begin first quarter of 2020.<br>22/10/2020: Not looking at putting this to Council as includes FOGO so not much need at this stage. Will be more necessary when 3rd bin is introduced.<br>30/06/2021: To be reviewed once the Myrup Waste Transfer Station design is complete as this could affect the Local Law<br>Oct 2024: A waste local law has been drafted and consultation is currently underway prior to finalisation. |  |
|  |  |
|  |  |
|  |  |

## Errors, omissions & delays

### Risk Context

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

Examples include;

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

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

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Employment of appropriately skilled and qualified staff   | Preventative | Nov-24        | Adequate |
| Facilities/Works documented procedures & monitoring   | Preventative | Nov-24        | Adequate |
| Staff training program (mentoring, formal & on-the-job)   | Preventative | Nov-24        | Adequate |
| Documented information sheets / website information / FAQ's to assist customer service staff in providing advice to customers | Preventative | Nov-24        | Adequate |
| Complaints resolution process   | Recovery     | Nov-24        | Adequate |
| External resources (advisory support)   | Preventative | Nov-24        | Adequate |
| Adequate systems and software   | Preventative | Nov-24        | Adequate |
| Overall Control Ratings:  |              |               | Adequate |

### Control Assurance

| Control Owner                             | Control Documented | Control is understood | Accuracy | Comments   |
|---|--------------------|-----------------------|----------|--|
| CEO                                       | Yes                | Yes                   | Yes      |  |
| All facility managers                     | Yes                | Yes                   | Yes      | SOPs in development, see Asset Sustainability Profile  |
| Manager Human Resources                   | Yes                | Yes                   | Yes      |  |
| Manager Marketing and Communications      | Yes                | Yes                   | Yes      |  |
| Director Corporate and Community Services | Yes                | Yes                   | Yes      |  |
| CEO                                       | No                 |                       |          |  |
| Manager Information Services              |                    |                       |          | Noted that ESRI and Authority functionality could be improved, along with user's knowledge of the systems. |



| Actions  | Date Added            | Due Date | Responsibility               |
|--|-----------------------|----------|------------------------------|
| Effective and comprehensive GIS, to provide previously available functionality | Nov-24                | Dec-25   | Manager Information Services |
| Develop ICT strategy and plan  | Nov-24                | Dec-25   | Manager Information Services |
|  |                       |          |                              |
|  |                       |          |                              |
|  |                       |          |                              |
|  |                       |          |                              |
|  |                       |          |                              |
|  |                       |          |                              |
| Consequence Category   | Risk Ratings          |          | Rating                       |
| Reputation / Compliance  | Consequence:          |          | Minor (2)                    |
|  | Likelihood:           |          | Possible (3)                 |
|  | Overall Risk Ratings: |          | Moderate                     |

| Status of Actions   | Comments |
|---|----------|
| Apr 2025: currently recruiting for employee to assist with ESRI |          |
|   |          |
|   |          |
|   |          |
|   |          |
|   |          |

## External theft & fraud (Including Cyber)

### Risk Context

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

For the purposes of;

-Fraud: benefit or gain by deceit

-Malicious Damage: hacking, deleting, breaking or reducing the integrity or performance of systems

-Theft: stealing of data, assets or information

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Building Security access controls (alarms, CCTV, keypad access) | Preventative | Nov-24        | Adequate |
| IT Security Framework (passwords / security protocols)          | Preventative | Nov-24        | Adequate |
| Cash/Stock handling Procedures                                  | Preventative | Nov-24        | Adequate |
| Purchasing authority  | Preventative | Nov-24        | Adequate |
| Separation of duties for updates to creditor details            | Preventative | Nov-24        | Adequate |
| Visitor Management Procedure                                    | Preventative | Nov-24        | Adequate |

Overall Control Ratings:

Adequate

| Actions  | Date Added | Due Date | Responsibility   |
|--|------------|----------|--|
| Small plant serial number identification/sign in process                                       | Oct-22     | Jun-25   | Manager Asset Operations                                   |
| Set up Security and FOBs for all key buildings   | Nov-24     | Jun-25   | Manager Projects & Buildings                               |
| Investigate and implement cashless options for campground management and online booking system | Nov-24     | Jun-25   | Manager Parks & Environment/Manager Recreation and Culture |
| Review separation of duties processes  | Nov-24     | Jun-25   | Manager Financial Services                                 |
|  |            |          |  |
|  |            |          |  |

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

### Control Assurance

| Control Owner                | Control Documented | Control is understood | Accuracy | Comments  |
|------------------------------|--------------------|-----------------------|----------|---|
| Manager Projects & Buildings | Partial            | Yes                   | Yes      | Duplicate control in Security profile   |
| Manager Information Services | Partial            | Yes                   | Yes      | Robbie noted that this framework is separate to the disaster recovery plan. Working on increasing documentation             |
| Manager Financial Services   | Yes                | Yes                   | Yes      | Refreshing procedures and reviewing use of credit cards in lieu of cash. Internal policy for cash management to be created. |
| Manager Financial Services   | Yes                | Yes                   | Yes      | Being reviewed as part of procurement process.  |
| Manager Financial Services   | Yes                | Yes                   | Yes      | Procedure in place, last updated March 2021.  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | D18/25901   |

| Status of Actions     | Comments  |
|-----------------------|---|
| Oct 2024: in progress |   |
|                       |   |
|                       | implement booking system through existing software available. |
|                       |   |
|                       |   |

## Management of Facilities / Venues / Events

### Risk Context

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

This includes;

- Inadequate procedures in place to manage quality or availability.
- Poor crowd control
- Ineffective signage
- Booking issues
- Stressful interactions with hirers / users (financial issues or not adhering to rules of use of facility)
- Inadequate oversight or provision of peripheral services (e.g.. cleaning / maintenance)

### Potential causes include:

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

| Key Controls   | Type         | Reviewed Date | Rating     |
|--|--------------|---------------|------------|
| Event management procedures and monitoring   | Preventative | Nov-24        | Adequate   |
| Inspection, maintenance and cleaning schedules   | Preventative | Nov-24        | Adequate   |
| Facility / Venue booking system (including bonds)  | Preventative | Nov-24        | Inadequate |
| All departments are kept informed (road works, retic, catering, maintenance, traffic management, etc.) about activities taking place at venues | Preventative | Nov-24        | Inadequate |
| Events package given to hirer (information sheets, events questionnaire / procedures / checklist)  | Preventative | Nov-24        | Adequate   |
| Feedback from community and users of facilities  | Recovery     | Nov-24        | Adequate   |
| Debrief of all major Shire community events  | Recovery     | Nov-24        | Adequate   |
| Overall Control Ratings:   |              |               | Adequate   |

### Control Assurance

| Control Owner                            | Control Documented | Control is understood | Accuracy | Comments   |
|--|--------------------|-----------------------|----------|--|
| Manager Development Services             | Yes                | Yes                   | Yes      | Process map process to form part of small business program.  |
| Manager Projects & Buildings             | Yes                | Yes                   | Yes      |  |
| CEO                                      | Yes                | Yes                   | Yes      | Small business program to streamline booking processes as currently we have multiple different ways of booking venues depending on who manages them (i.e. ovals, civic centre, stadiums etc.)<br><br>Noted that some bookings have not been made in a timely manner, causing spaces to not be available due to alternative bookings in place. (i.e. Ag Show) |
| CEO                                      | Yes                | Yes                   | Yes      |  |
| CEO                                      | Yes                | Yes                   | Yes      |  |
| CEO                                      | Yes                | Yes                   | Yes      |  |
| Community Development and Events Manager | Yes                | Yes                   | Yes      | Debrief meetings undertaken, documented in Onenote.  |

| Actions   | Date Added | Due Date | Responsibility                                  |
|---|------------|----------|---|
| Increased inspections and documentation of Maintenance and Cleaning schedules                   | Jan-21     | Jun-25   | Manager Projects & Buildings                    |
| Facility module on website  | Nov-24     | Dec-25   | Manager Marketing & Communications              |
| Create central point for access to internal information regarding events taking place at venues | Nov-24     | Dec-25   | Manager Information Services                    |
| Create permit module in Authority to track traders, use of LG, events, food premises etc.       | Nov-24     | Dec-25   | Supervisor External Service Customer Experience |
| implement scheduling system to notify all relevant business units of events                     | Nov-24     | Dec-25   | Manager Information Services                    |
|   |            |          |   |
|   |            |          |   |
|   |            |          |   |

  

| Consequence Category | Risk Ratings                 | Rating                   |
|----------------------|------------------------------|--------------------------|
| Reputation           | <b>Consequence:</b>          | <i>Insignificant (1)</i> |
|                      | <b>Likelihood:</b>           | <i>Unlikely (2)</i>      |
|                      | <b>Overall Risk Ratings:</b> | <b>Low</b>               |

[illegible]

## IT or communication systems and infrastructure

### Risk Context

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

Examples include failures or disruptions caused by:

- Hardware or software
- Networks
- Failures of IT Vendors

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

- Configuration management
- Performance monitoring

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

### Potential causes include:

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

| Key Controls   | Type         | Reviewed Date | Rating     |
|--|--------------|---------------|------------|
| Formal IT Infrastructure maintenance & replacement             | Preventative | Nov-24        | Effective  |
| IT Vendor service agreement monitoring                         | Detective    | Nov-24        | Adequate   |
| Infrastructure Security (security access protocols, firewalls) | Preventative | Nov-24        | Adequate   |
| UPS / Generator  | Recovery     | Nov-24        | Inadequate |
| IT Disaster Recovery Process                                   | Recovery     | Nov-24        | Adequate   |
| Staff and contractor information training and induction        | Preventative | Nov-24        | Adequate   |
| Daily back-up  | Preventative | Nov-24        | Effective  |
| IT Support   | Recovery     | Nov-24        | Adequate   |
| IT policies and procedures                                     | Preventative | Nov-24        | Adequate   |
| Overall Control Ratings:                                       |              |               | Adequate   |

### Control Assurance

| Control Owner                | Control Documented | Control is understood | Accuracy | Comments   |
|------------------------------|--------------------|-----------------------|----------|--|
| Manager Information Services | Yes                | Yes                   | Yes      | 10 year plan in place  |
| Manager Information Services | Yes                | Yes                   | Yes      | noted Civica support issues ongoing  |
| Manager Information Services | Yes                | Yes                   | Yes      |  |
| Manager Information Services | No                 |                       |          | UPS are in place, Generator plan to be developed.  |
| Manager Information Services | No                 |                       |          | 2020: changed title to process rather than plan. Noted that the process is adequate, although the Plan is still being developed. |
| Manager Information Services | Yes                | Yes                   | Yes      |  |
| Manager Information Services | Yes                | Yes                   | Yes      |  |
| Manager Information Services | Yes                | Yes                   | Yes      | Noted delay in more difficult tickets being resolved, view that easy tickets receive priority.                                   |
| Manager Information Services | Yes                | Yes                   | Yes      | No SOP for technical information as third party provides instructions and these change often.                                    |

IT or communication systems and infrastructure

| Actions   | Date Added            | Due Date | Responsibility               |
|---|-----------------------|----------|------------------------------|
| Test and review Disaster Recovery Plan                      | Jul-18                | Jun-25   | Manager Information Services |
| Develop plan for generator use with IT systems              | Jul-18                | Jun-26   | Manager Information Services |
| Sufficient resources (people and infrastructure) in IT      | Nov-24                | Dec-25   | Manager Information Services |
| Adequate systems and expertise in management of the systems | Nov-24                | Dec-25   | Manager Information Services |
|   |                       |          |                              |
|   |                       |          |                              |
|   |                       |          |                              |
|   |                       |          |                              |
| Consequence Category  | Risk Ratings          |          | Rating                       |
| Service disruption  | Consequence:          |          | Minor (2)                    |
|   | Likelihood:           |          | Possible (3)                 |
|   | Overall Risk Ratings: |          | Moderate                     |

| Status of Actions   | Comments   |
|---|--|
| Duplicate action - See profile 2  | Duplicate Action in Business Disruption Profile            |
| Aug 20: to be completed once generator installed. Amend due date from Jun 20. 16/12/2019: amended due date from Dec 2019. Airport to receive new generator early 2020, old generator to be installed at depot following this. 30/06/2021: Not started yet. On hold until Asset Management has finalised the generator infrastructure. 05/09/2022: Depends on type of generator to be installed by Asset Management before this can be developed. Oct 2024: not due to start | To be developed in conjunction with Manager Asset Planning |
|   |  |
|   |  |
|   |  |
|   |  |
|   |  |

## Misconduct

### Risk Context

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

This would include instances of:

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

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

### Potential causes include:

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

| Key Controls   | Type         | Reviewed Date | Rating    |
|--|--------------|---------------|-----------|
| Delegated authority structure / Segregation of duties  | Preventative | Nov-24        | Adequate  |
| IT Security Framework  | Preventative | Nov-24        | Adequate  |
| Cash handling procedures   | Preventative | Nov-24        | Adequate  |
| Staff on-boarding / induction program (Code of Conduct)                                      | Preventative | Nov-24        | Adequate  |
| External Audits  | Preventative | Nov-24        | Effective |
| Police clearances  | Preventative | Nov-24        | Effective |
| Annual licence checks (licence/tickets etc.)   | Preventative | Nov-24        | Adequate  |
| Strong management culture (Zero tolerance for misconduct formalised and communicated policy) | Preventative | Nov-24        | Adequate  |
| Procurement process (procurement policy)   | Preventative | Nov-24        | Adequate  |
| Financial Interest Return  | Preventative | Nov-24        | Adequate  |
| Organisational policies and Management Practices   | Preventative | Nov-24        | Adequate  |

### Control Assurance

| Control Owner  | Control Documented | Control is understood | Accuracy | Comments   |
|--|--------------------|-----------------------|----------|--|
| CEO  | Yes                | Yes                   | Yes      |  |
| Manager Information Services                         | Yes                | Yes                   | Yes      |  |
| Manager Financial Services                           | Yes                | Yes                   | Yes      |  |
| Manager Human Resources                              | Yes                | Yes                   | Yes      |  |
| Manager Financial Services                           | Yes                | Yes                   | Yes      |  |
| Manager Human Resources                              | Yes                | Yes                   | Yes      |  |
| Manager Human Resources                              | No                 |                       |          | Annual check for expired licences currently undertaken. Checks to ensure staff have current licence (ie: haven't lost their licence) has been implemented, yet to be documented. Skills register has been reviewed and updated to capture licences and tickets |
| CEO  | Yes                | Yes                   | Yes      |  |
| Manager Financial Services/Director Asset Management | Yes                | Yes                   | Yes      |  |
| Executive Assistant                                  | Yes                | Yes                   | Yes      | Procedure in place - to be transferred to current template and made available in CM.   |
| Director Corporate and Community Services            | Yes                | Yes                   | Yes      |  |

|   |                       |          |                         |
|---|-----------------------|----------|-------------------------|
| Support from external industrial relations advice (WALGA) | Preventative          | Nov-24   | Effective               |
| Compliance with code of conduct                           | Preventative          | Nov-24   | Adequate                |
| Gift Register   | Preventative          | Nov-24   | Adequate                |
| Overall Control Ratings:                                  |                       |          | Adequate                |
| Actions   | Date Added            | Due Date | Responsibility          |
| Schedule regular reminders for gift processes             | Nov-24                | Jun-25   | Executive Assistant     |
| Increased training on code of conduct/misconduct          | Nov-24                | Dec-25   | Manager Human Resources |
|   |                       |          |                         |
|   |                       |          |                         |
| Consequence Category                                      | Risk Ratings          |          | Rating                  |
| Reputation / Finance                                      | Consequence:          |          | Moderate (3)            |
|   | Likelihood:           |          | Unlikely (2)            |
|   | Overall Risk Ratings: |          | Moderate                |

|                         |     |     |     |  |
|-------------------------|-----|-----|-----|--|
| Manager Human Resources | No  | Yes | Yes | WALGA - used as required, no documentation necessary   |
| CEO                     | Yes | Yes | Yes |  |
| Executive Assistant     | Yes | Yes | Yes | Register is current and available on website. Procedure in place - to be transferred to current template and made available in CM. |

|                   |          |
|-------------------|----------|
| Status of Actions | Comments |
|                   |          |
|                   |          |
|                   |          |



## Project / Change management

### Risk Context

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

This includes:

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

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

### Potential causes include:

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

| Key Controls   | Type         | Reviewed Date | Rating   |
|--|--------------|---------------|----------|
| Staff Understanding of Project Management / Contract Management                                    | Preventative | Nov-24        | Adequate |
| Internal and External Stakeholder interaction/consultation relating to various department projects | Preventative | Nov-24        | Adequate |
| Committee / Council reporting (including Risk)   | Preventative | Nov-24        | Adequate |
| Post-project debriefs (Major projects)   | Preventative | Nov-24        | Adequate |
| Risk assessments are conducted before and during major projects                                    | Preventative | Nov-24        | Adequate |
| Training relevant staff in project management and contract management                              | Preventative | Nov-24        | Adequate |
| Communication of changes within organisation   | Preventative | Nov-24        | Adequate |
| Overall Control Ratings:   |              |               | Adequate |

### Control Assurance

| Control Owner             | Control Documented | Control is understood | Accuracy | Comments   |
|---------------------------|--------------------|-----------------------|----------|--|
| Director Asset Management | Partial            | Yes                   | Yes      | Staff knowledge of project management procedures<br>Training undertaken for staff involved in major projects and contracts   |
| CEO                       | Partial            | Yes                   | Yes      | IT/DAIP Working Group not consulted for projects when in development (ie: installation for power/data ports in buildings)<br>Engagement policy in place, consultation framework to be developed. |
| CEO                       | Yes                | Yes                   | Yes      |  |
| Director Asset Management | Partial            | Yes                   | Yes      | completed contract review template   |
| Director Asset Management | Yes                | Yes                   | Yes      | Formal risk assessments undertaken before project, ongoing reviews as required throughout projects.  |
| Director Asset Management | Yes                | Yes                   | Yes      |  |
| CEO                       | Yes                | Yes                   | Yes      |  |

| Actions                                | Date Added            | Due Date | Responsibility                     |
|--|-----------------------|----------|------------------------------------|
| Project contract management procedures | Nov-24                | Dec-25   | Coordinator Projects and Buildings |
| Create handy hints sheet for projects  | Nov-24                | Dec-25   | Manager Financial Services         |
|  |                       |          |                                    |
|  |                       |          |                                    |
|  |                       |          |                                    |
|  |                       |          |                                    |
|  |                       |          |                                    |
| Consequence Category                   | Risk Ratings          |          | Rating                             |
| Financial / Reputational / Health      | Consequence:          |          | Moderate (3)                       |
|  | Likelihood:           |          | Possible (3)                       |
|  | Overall Risk Ratings: |          | Moderate                           |

| Status of Actions | Comments |
|-------------------|----------|
|                   |          |
|                   |          |
|                   |          |
|                   |          |
|                   |          |
|                   |          |

## Safety and Security practices

### Risk Context

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

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Building Security access controls (alarms, CCTV, keypad access) | Preventative | Nov-24        | Adequate |
| WHS Management Framework  | Preventative | Nov-24        | Adequate |
| Contractor inductions   | Preventative | Nov-24        | Adequate |
| Staff site inductions   | Preventative | Nov-24        | Adequate |
| Drug and alcohol policy   | Preventative | Nov-24        | Adequate |
| Employee Assistance Program                                     | Preventative | Nov-24        | Adequate |
| Incident register / incident reporting procedures               | Preventative | Nov-24        | Adequate |
| Emergency Management Procedures- Internal                       | Preventative | Nov-24        | Adequate |
| Consider safety issues when purchasing                          | Preventative | Nov-24        | Adequate |
| Regular documented workplace safety inspections                 | Preventative | Nov-24        | Adequate |
| Safe work practices (Safe Work Method Statements)               | Preventative | Nov-24        | Adequate |
| Toolbox meetings  | Preventative | Nov-24        | Adequate |
| Trained first aiders  | Preventative | Nov-24        | Adequate |
| Asbestos Registers and Management Plans                         | Preventative | Nov-24        | Adequate |
| WHS Contractor Management Questionnaire                         | Preventative | Nov-24        | Adequate |
| LGIS Audit  | Detective    | Nov-24        | Adequate |
| Volunteer Management & Training                                 | Preventative | Nov-24        | Adequate |
| Staff training  | Preventative | Nov-24        | Adequate |
| Workplace safety inspections                                    | Preventative | Nov-24        | Adequate |

### Control Assurance

| Control Owner                | Control Documented | Control is understood | Accuracy | Comments   |
|------------------------------|--------------------|-----------------------|----------|--|
| Manager Projects & Buildings | Yes                | Yes                   | Yes      | Duplicate control in External Theft & Fraud profile  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Updated in 2024.   |
| Director Asset Management    | Yes                | Yes                   | Yes      |  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Review of site inductions underway.  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Reviewed in 2024. Swab tests undertaken and posted to Perth, problem with degraded samples. Transport to be improved.            |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Telus approached for improvement of service standards.   |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Final draft stage, to be completed by Feb 2025.  |
| Chief Warden                 | Yes                | Yes                   | Yes      | Individual outcentre procedures developed. New terms of reference have been developed and Wardens refresher training undertaken. |
| Director Asset Management    | Yes                | Yes                   | Yes      |  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Depot inspections monthly, inspections for specific areas to be set and undertaken by officers from other areas.                 |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Continuing to improve these practices, ongoing review and development.   |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Normal schedule maintained.  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Training provided as required. New first aid officers being identified and will receive training.                                |
| Manager Projects & Buildings | Yes                | Yes                   | Yes      | Last updated 2021. Reviewed at 5 yearly intervals  |
| Director Asset Management    | Yes                | Yes                   | Yes      |  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Audit undertaken every 3 years. Last undertaken in 2024, awaiting final report.  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | Volunteer induction manual and code of conduct developed in 2022/23.   |
| Manager Human Resources      | Yes                | Yes                   | Yes      | 140% increase in 2024 for training courses held  |
| Manager Human Resources      | Yes                | Yes                   | Yes      | WHS team complete these inspections on daily basis.  |

| Workplace safety policies and procedures                                     | Preventative | Nov-24   | Adequate                     |
|--|--------------|----------|------------------------------|
| Overall Control Ratings:   |              |          | Adequate                     |
| Actions  | Date Added   | Due Date | Responsibility               |
| Establish emergency drill schedule for all sites                             | Oct-18       | Jun-25   | Chief Warden                 |
| Implement actions from LGIS audit  | Jul-18       | Jun-25   | Coordinator WHS              |
| Security Upgrade (fobs)  | Oct-22       | Jun-25   | Manager Projects & Buildings |
| Introduce procedures for management of psychological hazards                 | Oct-22       | Jun-25   | Manager Human Resources      |
| implement WHS system   | Nov-24       | Jun-25   | Manager Human Resources      |
| Schedule regular communications for where to locate documents and procedures | Nov-24       | Jun-25   | Coordinator WHS              |

|                         |     |     |     |  |
|-------------------------|-----|-----|-----|--|
| Manager Human Resources | Yes | Yes | Yes | New WHS strategy/communication plan. WHS management plan completed. Review of safe work procedures 50% complete. |
|-------------------------|-----|-----|-----|--|

| Status of Actions   | Comments  |
|---|---|
| Aug 2020: on hold until all evacuation plans completed. Amend due date from Dec 2019.<br>30/06/2021: Audit of Warden's training requirements undertaken. Warden's training booked in.<br>Most centres completed, awaiting Home Care following refurbishment of centre.<br>Oct 2024: Drill schedule nearing completion   |   |
| 16/12/2019: amend due date from Dec 2019 - see D18/4589 for details on outstanding items.<br>30/06/2021: OSH planning being developed at highest levels to ensure this is an ongoing improvement in the risk management systems.<br>Review of objectives and targets at OSH Committee, further investigation with other LG's about effective benchmark targets.<br>Registration of all applicable plant and equipment (pressure vessels) are completed.<br>Training needs in development with new part time HR officer.<br>Of the 10 required actions, 7/10 are 90% completed.<br>Two action items completed.<br>One action item not as yet commenced.<br>Training needs Analysis and information from Asset management in regards to Contractors is not available as yet.<br>03/02/2022: amend due date from Dec 2021. Some items outstanding, emergency management & training analysis.<br>05/09/2022: Some emergency response plans to be completed - estimated completion Dec. Training through RTO in discussion about training needs and requirements (HR). Audit action plan (D20/6486)<br>Oct 2024: ongoing | Barry advised that this should be transferred to Safety Officer responsibility. |
| Oct 2024: Operating procedure needs to be drafted   |   |
| Oct 2024: Information has been gathered and development of psychological hazards SWP to be developed in 2025.   |   |
| Proposal with EMT for approval.<br>Commencement January.  |   |
|   |   |

|   |        |        |                                |
|---|--------|--------|--------------------------------|
| Communicate the emergency plans for each work site with all staff                               | Nov-24 | Jun-25 | Coordinator WHS                |
| Review site inductions  | Nov-24 | Jun-25 | WHS Admin and Training Officer |
| develop and follow consistent procedures for investigations to resolve in reasonable timeframes | Nov-24 | Jun-25 | Coordinator WHS                |
|   |        |        |                                |

| Consequence Category | Risk Ratings          | Rating       |
|----------------------|-----------------------|--------------|
| Health               | Consequence:          | Major (4)    |
|                      | Likelihood:           | Unlikely (2) |
|                      | Overall Risk Ratings: | Moderate     |

|   |  |
|---|--|
|   |  |
|   |  |
| new WHS Admin and Training Officer completing these on daily basis. |  |
|   |  |

## Supplier / Contract management

### Risk Context

Inadequate management of external Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

This also includes:

- Concentration issues (contracts awarded to one supplier)
- Vendor sustainability

### Potential causes include:

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

| Key Controls  | Type         | Reviewed Date | Rating   |
|---|--------------|---------------|----------|
| Tender processes  | Preventative | Nov-24        | Adequate |
| Procurement processes   | Preventative | Nov-24        | Adequate |
| Contract management and review  | Preventative | Nov-24        | Adequate |
| Legal advice for complex contracts (to confirm correct drafting of documentation and to prevent unknowingly accepting liability of the contractor or other parties) | Preventative | Nov-24        | Adequate |
| Contract Management training for staff  | Preventative | Nov-24        | Adequate |
| Supervision of minor contracts  | Preventative | Nov-24        | Adequate |

Overall Control Ratings:

Adequate

| Actions   | Date Added | Due Date | Responsibility             |
|---|------------|----------|----------------------------|
| Contractor inductions & training in use of Rapid Global | Oct-22     | Jun-25   | Director Asset Management  |
| Develop procedure for minor contract supervision        | Oct-22     | Jun-25   | Director Asset Management  |
| Review procurement process in line with procure to pay  | Nov-24     | Dec-25   | Manager Financial Services |
|   |            |          |                            |
|   |            |          |                            |

| Consequence Category            | Risk Ratings          | Rating       |
|---------------------------------|-----------------------|--------------|
| Service interruption, Financial | Consequence:          | Moderate (3) |
|                                 | Likelihood:           | Unlikely (2) |
|                                 | Overall Risk Ratings: | Moderate     |

### Control Assurance

| Control Owner              | Control Documented | Control is understood | Accuracy | Comments   |
|----------------------------|--------------------|-----------------------|----------|--|
| Director Asset Management  | Yes                | Yes                   | Yes      |  |
| Manager Financial Services | Yes                | Yes                   | Yes      |  |
| Director Asset Management  | Partial            | Yes                   | Yes      | 22/10/2020: discussed that no formal audits of contractors are undertaken, however supervisors to complete random spot checks. Still to be progressed. |
| Director Asset Management  | No                 | Yes                   | Yes      | Undertaken as required.  |
| Director Asset Management  | Yes                | Yes                   | Yes      | see project/change management profile  |
| Director Asset Management  | No                 | Yes                   | Yes      |  |

### Status of Actions

| Status of Actions   | Comments |
|---|----------|
| Oct 2024: Contractor management and inductions are constantly being updated. This function has been included as a specific responsibility in the Coordinator Depot position currently being advertised. |          |
| Oct 2024: Not started   |          |
|   |          |
|   |          |

## Council Plan Objectives

### Risk Context

A source of loss or failure from the pursuit of an unsuccessful business plan.

This includes:

- Poor or uninformed decisions
- Substandard execution of decisions
- Inadequate resource allocation
- Failure to respond to changes in the community

Strategic risk can be classified as either internal or external.

Internal risks arise from variables which can be controlled, such as Human, Technological, Physical and Operational factors.

External risks arise from variables which can be managed but cannot be controlled, such as economics, politics, natural disasters and compliance.

### Potential causes include:

|  |                                      |
|--|--------------------------------------|
| Poor or uninformed decisions                             | Not fully committed to the goal      |
| Not understanding the community                          | Not having the right people involved |
| Unrealistic goals  | Inadequate resources committed       |
| Unwillingness or inability to change                     | Poor communications                  |
| External factors such as politics or legislative changes | Failure to review the plan           |
| Inability to adapt to changing market conditions         | Misalignment between CBP and SCP     |

| Key Controls   | Type                   | Reviewed Date | Rating    |
|--|------------------------|---------------|-----------|
| Consult with community in accordance with Act under review procedures for Council Plan | Preventative           | Nov-24        | Effective |
| Integrated planning annual review with relevant departments                            | Preventative           | Nov-24        | Adequate  |
| Council Plan   | Preventative           | Nov-24        | Adequate  |
| Monthly status report on council decisions   | Preventative           | Nov-24        | Adequate  |
| Workforce Plan   | Preventative           | Nov-24        | Effective |
| EEO and Diversity Plan   | Preventative           | Nov-24        | Effective |
| Long Term Financial Plan   | Preventative           | Nov-24        | Adequate  |
| Asset Management Plan  | Preventative           | Nov-24        | Adequate  |
| Monthly reporting through Pulse on Council Plan  | Preventative/Detective | Nov-24        | Adequate  |
| Performance reporting through KPIs   | Detective              | Nov-24        | Adequate  |
| Communicate the vision and strategic objectives to the community                       | Preventative           | Nov-24        | Adequate  |
| Inform and consult with Council during review process                                  | Preventative           | Nov-24        | Effective |
| Annual Budget aligned with long term financial plan                                    | Preventative           | Nov-24        | Adequate  |
| Council report items link to Council Plan objectives                                   | Preventative           | Nov-24        | Effective |

### Control Assurance

| Control Owner                                | Control Documented | Control is understood | Accuracy | Comments   |
|--|--------------------|-----------------------|----------|--|
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      |  |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      |  |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      |  |
| Executive Assistant                          | Yes                | Yes                   | Yes      |  |
| Manager Human Resources                      | Yes                | Yes                   | Yes      | Workforce plan 2023-2027 in place.   |
| Manager Human Resources                      | Yes                | Yes                   | Yes      | EEO Plan 2023/-2027 in place.  |
| Manager Financial Services                   | Yes                | Yes                   | Yes      |  |
| Manager Asset Planning & Development         | Yes                | Yes                   | Yes      | Noted this should be inadequate as some haven't been reviewed in some time. Strategic Asset Management Plan is dated 2020, due for review in 2024.<br><br>Neil advised that some Plans have been reviewed others are still to be reviewed. Schedule of reviews developed to occur on 3 yearly basis. |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      | New system implemented July 2020. SOP to be reviewed.  |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      |  |
| Manager Marketing and Communications         | Yes                | Yes                   | Yes      | Relate communications back to Council plan actions.  |
| Coordinator Governance and Corporate Support | Yes                | Yes                   | Yes      |  |
| Manager Financial Services                   | Yes                | Yes                   | Yes      |  |
| Executive Assistant                          | Yes                | Yes                   | Yes      |  |

|  |              |        |          |
|--|--------------|--------|----------|
| Revenue Strategy   | Preventative | Nov-24 | Adequate |
| CBD Landscape Design   | Preventative | Nov-24 | Adequate |
| 2050 Cycling Strategy  | Preventative | Nov-24 | Adequate |
| Greater Sports Ground Redevelopment Master Plan                            | Preventative | Nov-24 | Adequate |
| Mountain Bike Feasibility Study  | Preventative | Nov-24 | Adequate |
| Town Centre Parking, Traffic and Pedestrian Strategy & Implementation Plan | Preventative | Nov-24 | Adequate |
| Town Centre Revitalisation Master Plan 2015- 2035                          | Preventative | Nov-24 | Adequate |
| Youth Precinct Final Concept Design  | Preventative | Nov-24 | Adequate |
| Footpath & Cycleway Asset Management Plan                                  | Preventative | Nov-24 | Adequate |
| Trails master plan   | Preventative | Nov-24 | Adequate |
| Library Strategic Plan   | Preventative | Nov-24 | Adequate |
| CCTV Strategy - Public Summary   | Preventative | Nov-24 | Adequate |
| Strategic Asset Management Plan  | Preventative | Nov-24 | Adequate |
| Community Waste Engagement Plan 2018-2023                                  | Preventative | Nov-24 | Adequate |
| Community Waste Strategy 2018-2023   | Preventative | Nov-24 | Adequate |
| Public Health Plan   | Preventative | Nov-24 | Adequate |
| Cemetery Master Plan   | Preventative | Nov-24 | Adequate |
| Wylie Bay Landfill Closure Plan  | Preventative | Nov-24 | Adequate |
| Disability Access and Inclusion Plan                                       | Preventative | Nov-24 | Adequate |
| Local Planning Strategy  | Preventative | Nov-24 | Adequate |
| James Street Precinct Plan   | Preventative | Nov-24 | Adequate |
| Airport Master Plan  | Preventative | Nov-24 | Adequate |
| Economic Development Strategy - Esperance Region                           | Preventative | Nov-24 | Adequate |
| Tourism Strategy   | Preventative | Nov-24 | Adequate |
| Bush Fire Management Plan  | Preventative | Nov-24 | Adequate |
| Local Emergency Management Arrangements                                    | Preventative | Nov-24 | Adequate |
| Local Recovery Plan  | Preventative | Nov-24 | Adequate |
| Overall Control Ratings:   |              |        | Adequate |

|  |     |     |     |  |
|--|-----|-----|-----|--|
| Director Corporate & Community Services    | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Manager Economic Development               | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Manager Asse Planning & Development        | Yes | Yes | Yes |  |
| Director Asset Management                  | Yes | Yes | Yes |  |
| Manager Recreation & Culture               | Yes | Yes | Yes |  |
| Manager Projects & Buildings               | Yes | Yes | Yes |  |
| Manager Asset Planning & Development       | Yes | Yes | Yes |  |
| Manager Sustainability & Resource Recovery | Yes | Yes | Yes |  |
| Manager Sustainability & Resource Recovery | Yes | Yes | Yes |  |
| Manager Development Services               | Yes | Yes | Yes |  |
| Manager Parks & Environment                | Yes | Yes | Yes |  |
| Manager Sustainability & Resource Recovery | Yes | Yes | Yes |  |
| Manager Development Services               | Yes | Yes | Yes |  |
| Manager Development Services               | Yes | Yes | Yes |  |
| Director External Services                 | Yes | Yes | Yes |  |
| Manager Economic Development               | Yes | Yes | Yes |  |
| Manager Economic Development               | Yes | Yes | Yes |  |
| Manager Economic Development               | Yes | Yes | Yes |  |
| Manager Ranger & Emergency Services        | Yes | Yes | Yes |  |
| Manager Ranger & Emergency Services        | Yes | Yes | Yes |  |
| Manager Ranger & Emergency Services        | Yes | Yes | Yes |  |



| Actions  | Date Added | Due Date | Responsibility                               |
|--|------------|----------|--|
| Develop SOPs for Governance, corporate reporting and corporate support areas | Jan-21     | Dec-25   | Coordinator Governance and Corporate Support |
| Schedule ongoing internal and external communications for Council Plan       | Nov-24     | Dec-25   | Manager Marketing & Communications           |
| Review Asset Management Plans  | Nov-24     | Dec-25   | Manager Asset Planning & Development         |
| Develop IT Strategy  | Nov-24     | Dec-25   | Manager Information Services                 |
|  |            |          |  |
|  |            |          |  |
|  |            |          |  |

| Consequence Category    | Risk Ratings          | Rating       |
|-------------------------|-----------------------|--------------|
| Reputational/Compliance | Consequence:          | Minor (2)    |
|                         | Likelihood:           | Unlikely (2) |
|                         |                       |              |
|                         | Overall Risk Ratings: | Low          |

| Status of Actions  | Comments |
|--|----------|
| 30/06/2021: progressing when time is available. Update due date from Dec 2021.<br>Oct 2024: Checklists have been created for processing Owners and Occupiers Roll eligibility claims and cancellations. Updates have been made to the Administration Notes document, which provides an overview of all tasks required within our area. SOPs that have been drafted are expected to be finalised in the coming quarter with a focus on creating leasing SOPs to follow. Employee Housing Management Practice has been developed and provided to OMG and EMT for review. |          |
|  |          |
| ongoing - review 3-5 years   |          |
|  |          |
|  |          |
|  |          |
|  |          |



## Item: 8.2

### Interim Audit Report

|                     |                 |   |
|---------------------|-----------------|---|
| <b>Author/s</b>     | Felicity Baxter | Director Corporate and Community Services |
| <b>Authorisor/s</b> | Shane Burge     | Chief Executive Officer                   |

**File Ref: D25/13985**

#### **Applicant**

Internal

#### **Location/Address**

Shire of Esperance

#### **Executive Summary**

Core to the Audit Committee's role, is to liaise with the local government's auditor to give Council confidence that the performance of the local government in managing its financial affairs. The purpose of this report is for the Audit Committee to consider the Interim Audit Management Letter.

#### **Recommendation in Brief**

That the Audit Committee note the matter raised in the Interim Audit Management Letter and the recommendations to reduce the risk.

#### **Background**

Each financial year, the External Auditor conducts an Interim Audit to monitor that financial controls are adequately in place. This is done by conducting sample testing of the key financial functions, such as creditor payments, debtor receipts, payroll processes, investments and banking, integrity of the asset register and accuracy in financial reporting. In this way the auditor obtains an understanding of the key business processes, risks and internal controls relevant to the annual financial report.

Moore Australia (Auditors) on behalf of the Office of the Auditor General (OAG) currently conducts the Shire's external audits. They recently undertook the interim audit in preparation of the 30 June 2025 annual financial audit. During this audit systems and controls as described above were tested. The auditor has noted one matter that needed to be brought to the attention of the Shire. This is explained in more detail in the management letter attached.

#### **Officer's Comment**

The matter raised by the Auditor was:

- *Non-compliance with purchase order requirements, the Shire's purchasing policy were not met – considered a moderate risk with no potential impact on the audit opinion*

Sample testing of payment transactions noted 2 instances out of a total of 7 transactions tested where they noted deviations in the purchase order process:

- 1 sample where no purchase order was raised prior to incurring of expenditure; and
- 1 sample where a purchase order was raised after the incurring of the expenditure.

The implication of this is that these purchases carried the inherent risk of being unauthorised expenditures.

The accompanying recommendation is to remind all officers to raise orders prior to authorising the works/services or ordering goods. This will also help to ensure budget responsibility.

Management have amended organisational practices to instruct staff utilising suppliers that are on contracts accepted via the tendering process to also raise purchase orders for these works/goods.

### **Consultation**

Moore Australia (Auditors) – on behalf of the Office of the Auditor General  
Executive Management Team

### **Financial Implications**

Nil

### **Asset Management Implications**

Nil

### **Statutory Implications**

Nil

### **Policy Implications**

Nil

### **Strategic Implications**

Council Plan 2022 - 2032

*Performance - Outcome 15. Operational excellence and financial sustainability*

Objective 15.1. Provide responsible, agile and innovative planning and resource management.

Provide responsible resource and planning management for now and the future.

### **Environmental Considerations**

Nil

### **Attachments**

A<sup>1</sup>. Interim Audit - OAG Letter to the President

B<sup>1</sup>. Interim Audit - OAG Management Letter

### **Officer's Recommendation**

**That the Audit Committee note the matters raised in the Interim Audit Management Letter and the recommendations to reduce the risk.**

### **Voting Requirement**

Simple Majority



Our Ref: F21/59

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

Mr Ron Chambers  
Shire President  
Shire of Esperance

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

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

By email: [ron.chambers@esperance.wa.gov.au](mailto:ron.chambers@esperance.wa.gov.au)

Dear Shire President

**ANNUAL FINANCIAL REPORT  
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2025**

We have completed the interim audit for the year ending 30 June 2025. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate the overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

**Management Control Issues**

I would like to draw your attention to the attachment listing a deficiency in the internal controls identified during the course of the interim audit. This matter has been discussed with management and their comments have been included on the attachment. The matter reported is limited to the deficiency that was identified during the interim audit that we have concluded it is of sufficient importance to merit being reported to management. The matter may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the Local Government (Audit) Regulations 1996. If so, we will inform you before we finalise the report.

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

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

Feel free to contact me on 6557 7742 if you would like to discuss these matters further.

Yours faithfully

Jay Teichert  
Director  
Financial Audit  
20 May 2025

Attach

**ATTACHMENT**

**SHIRE OF ESPERANCE**

**PERIOD OF AUDIT: 1 JULY 2024 TO 30 JUNE 2025**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

| Index of findings                                  | Potential impact on audit opinion | Rating      |          |       | Prior year finding |
|--|-----------------------------------|-------------|----------|-------|--------------------|
|  |                                   | Significant | Moderate | Minor |                    |
| 1. Non-compliance with purchase order requirements | No                                |             | ✓        |       | ✓                  |

**Key to ratings**

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

**Significant -** Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.

**Moderate -** Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

**Minor -** Those findings that are not of primary concern but still warrant action being taken.

*The ratings included are preliminary ratings and could be modified pending other findings being identified, rated and the consideration of them collectively on the ratings and any potential impact on the audit opinion.*

**9. ELECTED MEMBERS**

**10. SHIRE OFFICERS**

**11. CLOSURE**