Attachments

Audit And Risk Management Committee Meeting

Tuesday, 21 May 2024

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Agenda Item 5.1.1 - Attachment 1

Minutes of the Audit And Risk Management Committee Meeting held 20 February 2024

Published Minutes

Audit And Risk Management Committee Meeting

Tuesday, 20 February 2024

Date:	Tuesday 20 February 2024
Time:	8:30am
Location:	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
Distribution Date:	Friday 23 February 2024

Shire of Ashburton
Audit And Risk Management Committee Meeting

The Chief Executive Officer recommends the endorsement of these minutes at the next Audit And Risk Management Committee Meeting.

K Donohoe
Chief Executive Officer
23 February 2024

These minutes were confirmed by Council as a true and accurate record of proceedings at the Audit And Risk Management Committee Meeting held on Tuesday, 20 February 2024.

Presiding Member   _____

Date   _____

Disclaimer
The Shire of Ashburton warns anyone who has an application lodged with Council must obtain, and should only rely on, written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by Council in respect of the application. No responsibility whatsoever is implied, or accepted, by the Shire of Ashburton for any act, omission, statement, or intimation occurring during a Council meeting.

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1   Declaration Of Opening

The Presiding Member declared the meeting open at 8.33am.

1.1   Acknowledgement Of Country

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders past, present and emerging.

2   Announcement Of Visitors

Nil

3   Attendance

3.1   Present

Elected Members:	SP A Smith	Shire President (Presiding Member)
	Cr K White	Deputy Shire President, Onslow Ward
	Cr M Lynch	Tom Price Ward
	Cr A Sullivan	Paraburdoo Ward
	Cr B Healy	Tom Price Ward (Deputy Member)
Observers:	Cr De Pledge	Ashburton-Tablelands Ward
	Cr L Rumble	Paraburdoo Ward
Employees:	K Donohoe	Chief Executive Officer
	J Sangster	Deputy Chief Executive Officer
	C McGurk	Director Community Development
	D Kennedy	Director Corporate Services
	R Miller	Director Infrastructure Services
	A Johnston	Manager Media and Communications
	J Bray	Manager Governance
	DW Weerasingha	Internal Auditor
	A Furfaro	Governance Officer
Guests:	Nil	
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.	

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Members of media:	There were no members of the media in attendance at the commencement of the meeting.

3.2   Apologies

Nil

3.3   Approved Leave Of Absence

Nil

4   Declaration By Members

4.1   Due Consideration By Elected Members To The Agenda

Elected members noted they have given due consideration to all matters contained in this agenda.

4.2   Declaration Of Interest

A member who has an Impartiality, Proximity or Financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice, given to the Chief Executive Officer, prior to the meeting, or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest are disclosed –

Nil

5   Confirmation Of Minutes

5.1   Confirmation Of Previous Minutes

5.1.1   Minutes Of The Audit And Risk Management Committee Meeting Held On 12 December 2023

Committee Decision

Moved   Cr M Lynch

Seconded   Cr K White

That the Minutes of the Audit And Risk Management Committee Meeting held 12 December 2023 (Item 5.1.1 Attachment 1) be confirmed as a true and accurate record.

For: A Smith, K White, M Lynch, A Sullivan and B Healy

Against: Nil

                                                          Carried 5/0

6   Public Agenda Items

6.1   Audit Log Status Update

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	I Bishop, Deputy Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 12 Dec 2023 - Item 11-AR.7 – 223/2023
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Report-Follow-up Internal Audit-Internal Audit Log-29 Jan 2024 2. Audit Log Pending Items - 29 January 2024

Report Purpose

Council is required to review the Audit Log actions.

The purpose of this report is to provide Council oversight of the implementation of actions resulting from internal audits and external reviews.

Council is requested to receive the Audit Log status updates.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire.

Internal audits and external reviews are examples of methods Council may use to ensure sound management of the Shire is occurring.

Following the finalisation of an internal audit and/or external review, recommendations are included in the Audit Log to ensure progress is monitored and recorded.

Comments

The Shire of Ashburton Internal Auditor (SOA IA) has conducted a follow up internal audit on the audit log addressing the findings reported by the internal audits and Auditor General of WA. This report covers from 20 November 2023 to 29 January 2024.

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This report provides the following information:

a) Issues that have been closed since last report includes **8** issues identified in previous internal audits (2020-2022 Internal Audit Plan) as below:

- Building permit related directive, building permit related on the job staff training and building permit related monitoring and compliance process.
- Improving controls related to outstanding PO review and transparency of payment listing reported to council.
- An issue identified with 2019 FMR in relation to bank reconciliation process resulted from improved review and monitoring through implementation of new reconciliation module in Synergy.

b) **14** issues over Financial and ITGC that had been raised by OAG, have been closed per the updated status of Management Letter 2022-23.

c) Issues that have been closed since last report includes **3** issues identified in regulation 17 -2023 as below:

- Regulatory service filing natural environment related public communication in Synergy record management system as applicable without duplicating with communication department.
- Regularising the Tom Price swimming pool related chemical warehouse and calibration of water quality testing equipment.

d) Issues that are yet to be closed.

There are 156 issues pending to close over various processes as of 29 January 2024 (181 as of 20 November 2023).

e) Three recommendation owners have not provided a status update as positions are vacant for the request made by SOA IA on 22 January 2024.

f) There are no serious Internal Audit concern(s) mentioned in the report.

Internal Audit

A summary of the progress on the implementation of internal audit recommendations is provided in the following table.

Internal Audit Topics	Not Started		In Progress		Validated		Total Item		Total Open	
	29 Jan	20 Nov	**29 Jan**	20 Nov	**29 Jan**	20 Nov	**29 Jan**	20 Nov	**29 Jan**	20 Nov
Review of 2019 FMR	**0**	0	**3**	4	**1**	0	4	4	**3**	4
Procurement	**1**	2	**1**	5	**18**	16	23	23	**5**	7
Risk Management	**3**	3	**12**	12	**4**	4	19	19	**15**	15
Grants Management	**10**	10	**0**	0	**1**	1	11	11	**10**	10
Records Management [21]	**2**	2	**3**	3	**10**	10	15	15	**5**	5
Records Management [22]	**7**	7	**6**	6	**19**	19	32	32	**13**	13

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Cyber Security	**4**	4	**16**	16	**3**	3	23	23	**20**	20
Business Continuity, Disaster Recovery and Incident Management	**20**	20	**3**	3	**3**	3	26	26	**23**	23
Building Permit Application Process	**0**	**3**	**0**	**2**	**26**	**21**	**26**	**26**	**0**	**5**
Contract Management	**0**	0	**7**	7	**10**	10	17	17	**7**	7
Fraud and Corruption	**9**	9	**8**	8	**10**	10	27	27	**17**	17
Payroll & HR	**1**	1	**5**	5	**2**	2	8	8	**6**	6
Regulation 17-2023	**5**	8	**12**	12	**12**	9	29	29	**17**	20
Totals	**62**	69	**76**	83	**119**	108	**260**	260	**141**	152

11 recommendations have been completed since last reported to the Audit and Risk Management Committee on 20 November 2023.

Financial Audits

A summary of the progress on the implementation of financial audit recommendations is provided in the following table.

Internal Audit Topics	Not Started		In Progress		Validated		Total Item		Total Open	
	29 Jan	20 Nov	**29 Jan**	20 Nov	**29 Jan**	20 Nov	**29 Jan**	20 Nov	**21 Dec**	20 Nov
Financial – 30 June 2016/17/18	**0**	0	**0**	0	**3**	3	**3**	3	**0**	0
Financial – 30 June 2019	**0**	0	**0**	1	**4**	3	**4**	4	**0**	1
Financial – 30 June 2020	**0**	2	**0**	1	**5**	2	**5**	5	**0**	3
Financial – 30 June 2021	**1**	7	**0**	2	**8**	0	**9**	9	**1**	9
Financial – 30 June 2022	**1**	5	**0**	1	**5**	0	**6**	6	**1**	6
Financial – 30 June 2023	**5**	0	**0**	0	**0**	0	**5**	0	**5**	0
IT General Controls 2020/2021 & 2021/22	**3**	3	**5**	7	**2**	0	**10**	10	**8**	10
Totals	**10**	17	**5**	12	**27**	8	**42**	37	**15**	29

14 recommendations have been completed since last reported to the Audit and Risk Management Committee on 20 November 2023.

Note: Full Audit Log attached (Attachment 2) shows only the actions pending.

Consultation

The relevant members of the Executive Leadership Team and Middle Management Group were consulted on the progress of the outstanding actions on the Audit Log.

Shire's Internal Auditor has been provided updates to the Audit Log and verified evidence provided to close actions.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,

- Internal control, and

- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee, the results of each review.

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Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Major (4)	High (10-16)	Implement process improvements as a result of internal audits/external reviews and provide regular progress reporting to the Audit and Risk Management Committee.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log.

Committee Decision

Moved   **Cr M Lynch**

Seconded   **Cr K White**

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log.

For: **A Smith, K White, M Lynch, A Sullivan and B Healy**

Against: **Nil**

                                                Carried 5/0

6.2   Audit Report 2022/23

File Reference	FM09
Applicant or Proponent(s)	Not Applicable
Author	D Kennedy, Director Corporate Services
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Nil
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Financial Report 2022/23 Shire of Ashburton 2. Audit Opinion 2022/23 Shire of Ashburton 3. Management Letter - Financial Audit 2022/23 4. Management Letter - IT General Controls 2022/23

Report Purpose

The purpose of this report is to present to the Audit and Risk Management Committee the 2022/23 Annual Financial Report and Audit Report provided by the Officer of the Auditor General (OAG).

The Audit and Risk Management Committee is requested to endorse and recommend the Annual Financial Report and Auditors Report for the 2022/23 financial year to Council for adoption.

Background

Council is required to prepare a financial report and present it to the Council's auditor by 30 September each year. This has been completed by officers with the Annual Financial Report and Independent Audit Report presented at Attachment 1 - 2.

The *Local Government Act 1995* (Act) requires that the audit report be examined by the local government to determine if any matters raised in the report require action to be taken. After considering the audit report the local government is to prepare a report on any actions to be taken in response to the audit report and to forward a copy of that report to the Minister for Local Government.

Comments

Council has received an unqualified or "clean" audit report from the OAG with the opinion stating that:

"In my opinion, the financial report is:

- *based on proper accounts and records*

- *presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position as at the end of that period*

- *in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards."*

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Emphasis of Matter – Restatement of Comparatives

The audit report contains an Emphasis of Matter note to be brought to Council's attention as follows:

> *"I draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2022 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter."*

This related to road valuations being overstated in previous years that were identified and corrected as part of the recent infrastructure revaluation process.

Management Letter – Financial Audit (Attachment 3)

Each year, the OAG issues a Management Letter of findings that have the potential to impact future audit opinions if not addressed. This provides the opportunity for management to focus control improvement efforts during the coming year.

Significant progress was made during 2022/23 to clear the majority of the 11 items contained in the 2021/22 Management Letter with only two carrying over.

The 2022/23 Management Letter contains seven items. The new findings predominately relate to issues identified during the infrastructure revaluation that occurred during the year for the first time since 2018.

The findings and recommendations have been reviewed by management, and management comments are provided for within the report addressing each finding raised. The outstanding findings will actively form part of the 2023/24 internal audit program.

Management Letter – IT General Controls (Attachment 4)

The OAG is progressively completing an IT General Controls audit of all local governments. The Shire was one of the first local governments to go through this process in 2021.

Limited progress had been made to address the 9 outstanding issues raised until July 2023 when the Shire engaged external assistance to plan improvements in all these areas. As the updated management letter indicates, significant improvements have been made, and the plans put in place are expected to resolve many of these issues in full by the next audit at the end of June 2025.

Consultation

Executive Leadership Team

Office of the Auditor General

RSM Australia

Finance Team

Governance Team

Media and Communications Team

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.2 Appropriate, sustainable, and transparent management of community funds
Strategy	4 Ensure financial transactions are accurate and timely.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

The statutory implications associated with this item are contained within the *Local Government Act 1995,* section 7.8A – section 7.12AE and the *Local Government (Audit) Regulations 1996*

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	2022/2023 Annual Financial Report and Independent Audit Report are not accepted within the prescribed timeframe.	Rare (1)	Minor (2)	Moderate (5-9)	Accept the officer's recommendation.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

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Officer Recommendation

That with respect to the 2022/2023 Annual Financial Report, the Audit and Risk Management Committee recommends that Council,

1. Receives the 2022/2023 Annual Financial Report including the Independent Audit Report as detailed in Attachments 1-4,

2. Recommends the Annual Financial Report and Independent Audit Report for the 2022/2023 financial year to Council for adoption.

Committee Decision

Moved   Cr M Lynch

Seconded   Cr K White

That with respect to the 2022/2023 Annual Financial Report, the Audit and Risk Management Committee recommends that Council,

1. **Receives the 2022/2023 Annual Financial Report including the Independent Audit Report as detailed in Attachments 1-4,**

2. **Recommends the Annual Financial Report and Independent Audit Report for the 2022/2023 financial year to Council for adoption.**

For: A Smith, K White, M Lynch, A Sullivan and B Healy

Against: Nil

                                                              Carried 5/0

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6.3   2023 Compliance Audit Return

File Reference	GV32
Applicant or Proponent(s)	Not Applicable
Author	R Marlborough, Senior Governance Officer
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Nil
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. 2023 Compliance Audit Return 2. Internal Auditor's Review Certification

Report Purpose

The purpose of this report is to present the responses to the 2023 Compliance Audit Return for review by the Audit and Risk Management Committee and for subsequent Council endorsement.

Council is requested to endorse the completed 2023 Compliance Audit Return (CAR) for submission to the Department of Local Government, Sport and Cultural Industries by 31 March 2023.

Background

In accordance with regulation 14 of the *Local Government (Audit) Regulations 1996,* local governments are required to carry out a compliance audit for the period 1 January to 31 December each year.

The compliance audit covers a range of matters that require actions to be completed by local governments in performing their functions to maintain legislative compliance with the *Local Government Act 1995* and associated regulations and focuses on areas considered to be high risk.

Comments

The 2023 Compliance Audit Return contains the following compliance categories:

- Commercial Enterprises by Local Governments
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Elections
- Finance
- Integrated Planning and Reporting
- Local Government Employees
- Official Conduct
- Tenders for Providing Goods and Services

- Optional Questions.

Responsible officers have responded to the questions in the 2023 CAR indicating either yes, no or not applicable.

The following table summarises the Shire's performance in each of the compliance categories. The Shire is 98.93% compliant for the 2023 Compliance Audit Return.

Category	2023 Questions	Compliance Rating
Commercial Enterprises by Local Governments	5	100%
Delegation of Power/Duty	13	100%
Disclosure of Interest	21	100%
Disposal of Property	2	100%
Elections	3	100%
Finance	7	100%
Integrated Planning and Reporting	3	100%
Local Government Employees	5	100%
Official Conduct	4	100%
Optional Questions	9	88.88%*
Tenders for Providing Goods and Services	22	100%
Total	**94**	**98.93%**

One area of non-compliance was identified in the 2023 Compliance Audit Return. In the Optional Questions category*. Further details are as follows:

Question 3. Section 5.87C of the Local Government Act 1995 – Gift disclosures made by elected members and the Chief Executive Officer are required to be submitted within 10 days after receipt of the gift.

Five gifts were disclosed outside of the prescribed timeframe.

The Shire will continue to provide regular reminders to elected members and staff on gift disclosure reporting requirements.

The Shire's Internal Auditor has reviewed the completed 2023 CAR, as provided in Attachment 2.

Following the Committees consideration of the 2023 CAR and subsequent Council endorsement, the 2023 CAR must be certified by the Shire President and Chief Executive Officer and submitted to the Department of Local Government, Sport and Cultural Industries no later than 31 March 2024.

Consultation

The Chief Executive Officer, Directors, Managers and relevant officers were consulted in the compilation of the CAR responses. The Shire's internal auditor has reviewed the findings.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 14 and 15 of the *Local Government (Audit) Regulations 1996* the local government is to carry out a compliance audit for the period 1 January to 31 December each year and submit a certified copy of the return to the Department of Local Government, Sport and Cultural Industries by 31 March.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Not completing the CAR will result in non-compliance with the Shire's statutory reporting obligations.	Unlikely (2)	Moderate (3)	Moderate (5-9)	Council endorsement of the completed CAR for submission to the Department of Local Government, Sport and Cultural Industries.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

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Officer Recommendation

That with respect to 2023 Compliance Audit Return, the Audit and Risk Management Committee recommends that Council,

1. Endorses the Compliance Audit Return for the period 1 January 2023 to 31 December 2023 as shown in Attachment 1, and

2. Authorises the Shire President and Chief Executive Officer to jointly certify the Compliance Audit Return for submission to the Department of Local Government, Sport and Cultural Industries.

Committee Decision

Moved   **Cr K White**

Seconded   **Cr M Lynch**

That with respect to 2023 Compliance Audit Return, the Audit and Risk Management Committee recommends that Council,

1. **Endorses the Compliance Audit Return for the period 1 January 2023 to 31 December 2023 as shown in Attachment 1, and**

2. **Authorises the Shire President and Chief Executive Officer to jointly certify the Compliance Audit Return for submission to the Department of Local Government, Sport and Cultural Industries.**

For: **A Smith, K White, M Lynch, A Sullivan and B Healy**

Against: **Nil**

Carried 5/0

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6.4   Financial Management Review 2024

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	I Bishop, Deputy Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 8 August 2023 - Item 6.2-150/2023
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Financial Management Review 2024

Report Purpose

Council is required to review the attached Financial Management Review 2024 Report (Report).

The purpose of this report is to present the results per regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* which states:

"The CEO is to-

undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government with the results of those reviews."

Council is requested to receive the Financial Management Review 2024 report (refer to Attachment 1).

Background

In accordance with regulation 5 of the *Local Government (Financial Management) Regulations 1996*, the objective of the review is to:

"(1)   Ensure there are effective and efficient control systems:

    (a)   for the proper collection of all money owing to the local government.

    (b)   for the safe custody and security of all money collected or held by the local government.

    (c)   for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);

    (d)   to ensure proper accounting for municipal or trust —

        (i)   revenue received or receivable; and

        (ii)   expenses paid or payable; and

        (iii)   assets and liabilities.

    (e)   to ensure proper authorization for the incurring of liabilities and the making of payments.

(f)   *for the maintenance of payroll, stock control and costing records.*

(g)   *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

(2)   *Ensure that*

(a)   *the resources of the local government are effectively and efficiently managed; and*

(b)   *assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year)."*

Comments

This report presents the findings of the Financial Management Review of the Shire for the period of 1 July 2020 to 31 March 2023 (referred to as the "engagement period").

The assessment of the adequacy and effectiveness of internal controls were conducted against the control and monitoring activities mentioned in the accounting manual provided by the Department of Local Government, Sport and Cultural Industries (DLGSC). The assessment results are detailed in Annexure 1 (pages 19-22) of the Report.

Significant review findings are listed under finding sections as summarised in below table. Details of findings are detailed in the Report (pages 8-19).

The effectiveness of internal controls was evaluated for each finding based on the control's effectiveness matrix provided in the Shire adopted Risk Management Framework.

S/N	Finding	Control Effectiveness
1	Long outstanding items in bank reconciliation	Inadequate
2	Inefficient order-to-pay controls	Adequate
3	Inadequate use of contract variation form	Adequate
4	Negative fuel stock	Adequate
5	Inadequate capitalisation policy	Adequate
6	Irregular assets capitalisation and depreciation	Inadequate
7	Unusual assets records	Inadequate
8	Low interest income on term deposits	Adequate
9	Inadequate rates concession policy or directives	Adequate

Findings 1 and 7 has been closed while the finding number 6 is to be closed by 30 June 2024 per the management comments given by Finance Manager.

Please see the attached full report for complete details on findings, implications, recommendations, agreed corrective actions and target completion date.

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Consultation

As per the adopted Strategic Internal Audit Plan, the consultation framework is shown below:

Output	IIA Standard	Council	Audit and Risk Management Committee	CEO/ ELT	Audit Sponsor/ Director	Internal Audit
Internal Audit Charter	1000	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Strategic Internal Audit Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Annual Internal Audit Service Delivery Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Internal Audit Manual	2040	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Quality Assurance and Improvement Plan	1300, 1320	Adopt	Review / Recommend	Consult / Inform	N/A	Develop
Annual Internal Audit Status Report	2060	Receive	Review / Recommend	Inform	Inform	Develop / Approve
Audit Engagements						
Planning Memorandum	2200	N/A	N/A	Consult/ Approve	Consult	Develop / Approve
Draft Report	2400	N/A	N/A	N/A	Consult	Develop
Final Report	2400, 2440	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Council Policies » Shire of Ashburton

Nil

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Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* states:

> *"The CEO is to-*
>
> *undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government with the results of those reviews."*

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Major (4)	High (10-16)	Implement process improvements as a result internal/external reviews and provide regular progress reporting to the Audit and Risk Management Committee.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to the Financial Management Review 2024, the Audit and Risk Management Committee recommends that, Council, receives the Financial Management Review 2024 Report, as detailed in Attachment 1.

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Committee Decision

Moved	**Cr M Lynch**
Seconded	**Cr A Sullivan**

That with respect to the Financial Management Review 2024, the Audit and Risk Management Committee recommends that, Council, receives the Financial Management Review 2024 Report, as detailed in Attachment 1.

For: A Smith, K White, M Lynch, A Sullivan and B Healy

Against: Nil

Carried 5/0

6.5   Internal Audit over Compliance Areas Q3 2023/2024

File Reference	CM53
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	I Bishop, Deputy Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 08 Aug 2023 - Item 6.2 – 150/2023
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Report Purpose

The purpose of this report is to provide Council with status and results of compliance activities selected to audit on the 2023/2024 Strategic Internal Audit Plan.

Council is requested to receive the Internal Audit over compliance areas Q3 2023/2024 report.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire as per the *Local Government Act 1995* and regulation 17 of the *Local Government (Audit) Regulations 1996*.

With reference to International Internal Audit (IIA) Standards 2060, the Internal Auditor is required to periodically update Council with significant risk exposures and control issues, performance of planned audits, changes to audit plan and resource concerns among others.

Comments

Please find the reviews conducted on compliance activities per the Strategic Internal Audit Plan 2023-2024.

S/N and Area	Review
1-Private Swimming Pools Barriers Inspection	Drowning of young children is preventable yet remains one of the leading causes of accidental death for young children, with swimming pools generally being the main water body involved. While adult supervision within arm's reach is the most effective way to prevent these drowning incidents, mandatory pool safety barriers, local government inspections and public education are extremely important in the overall strategy to prevent or reduce these tragedies. The results of these efforts can be seen in the Royal Life Saving National Drowning Report 2020, which showed that there were zero toddler drowning deaths in Western Australia in 2019/2020. While this is an amazing result, it is important that we do not become complacent.

Local governments are required to inspect the safety barriers of private swimming pools within their district at intervals not exceeding four years. These inspections monitor the compliance of those safety barriers. Local governments have powers under the *Building Act 2011* to assist them enforce compliance. |

Audit And Risk Management Committee Meeting Minutes   20 February 2024

	Below points were noted for SOA on Private Swimming Pool barriers inspection per the Manager Regulatory Services • Regulatory Services had engaged qualified contractor for the inspection and has issued a purchase order to start work. Unfortunately, contractor has not been able to start the work. • Regulatory Services has committed to managing the inspection program due to a lack of response from the contractor, Royal Surf Lifesaving. • The Environmental Health Support Officer will coordinate the inspection program with the help of the Shire Rangers. • Authorisation for the Shire positions conducting the inspections is being finalised through Governance. • City of Karratha has been approached to provide on the job training for nominated staff conducting inspections. There are no formal training programs available. • The Manager Regulatory Services is reviewing all past inspection documentation to develop a 2024 inspection program that will incorporate legislative changes scheduled for June 2024 on pool fence compliance. • It is estimated it will take 6-9 months to complete the inspections in 2024. Then a rotating program of inspections will occur in each town to ensure we are current and compliant with our legislative obligations. **Internal Audit Conclusion** Process needs to be monitored by the Executive Leadership Team (ELT) to make sure adequate resourcing and achievement of objectives.
2-Firebreaks	Local Emergency Management Arrangements (LEMA) together with bushfire management provides an important safeguard to keep community safe from related hazards. Under section 33 of the *Bush Fires Act 1954* (BF Act) local governments can require a landowner or occupier to maintain a fire-break to reduce fuel loads and provide access for firefighting appliances in the event of a bushfire. Fire-break notices can be served either: • to individuals directly, or • on all owners and occupiers of land by publishing the notice in the Government Gazette and a local newspaper. **Below points were noted for SOA on Firebreaks per the Manager Regulatory Services and Tom Price Ranger** • ENG08 Bush Fire Policy was repealed by decision of Council at their meeting held on 12 December 2024. The policy mainly related to Bush Fire Brigades and was replaced with a new local law for the management of Bush Fire Brigades. The new local law does not provide guidance on fire breaks;

	• Shire has issued a Firebreak Notice - October 2022 which explain the requirements from owner/occupier. The latest Firebreak notice has been gazetted on 7 November 2023. • However, it was noted the definition of "Flammable Items" are not defined on firebreak notice. This is a best practice recommendation per the Department of Fire and Emergency Services (DFES) guidance notice issued to implement section 33 of BF Act. • Shire does not maintain logs or specific record on areas under Shire responsibility or owner/occupier. Upon inquiry, Tom Price Ranger explained with Intramaps (Shire Assets Mapping System) that the responsibility is limited to three towns. Tom Price, Onslow and Paraburdoo. However, it was noted firebreak public notice on website address townsites and outside townsites with requirements. • Upon inquiry with Manager Regulatory Services, it was explained Shire may not have all the information on the lands that the Shire is responsible for as we are currently involved in a project with the Western Australian Local Government Association and DFES to develop a Bushfire Risk Management Plan that will provide accurate information on this. Shire does not have anything historical and most of the land in the Shire is covered under Mining, Pastoral and State/National Park reserves. • Tom Price Ranger explained that a software is being implemented by DFES to identify and asses risks and to implement risk treatments. However no further information was available to establish the identification, assessment and treatments on bushfire risk management process except the software name Bushfire Risk Management (BRMS) with Mapworks – Amristar. • Tom Price Ranger maintains a spreadsheet for the noncompliance issued with a Synergy reference number. However, no records were available what are the are the properties compliance checked except only where such noncompliance. Tom Price Ranger explained that compliance is monitored for all the areas and only noncompliance are recorded. The sheet marked as 2023-2024 had 76 noncompliance recorded. • Tom Price Ranger explained that two cases were that contractors were involved to clean properties and Shire is in the process of recovering cost from owner/occupier. • Tom Price Ranger explained all parks, reserves, and drainage areas are managed by the Shire of Ashburton's Town Maintenance Officers (TMO's). Ranger Services and TMO's work together to ensure that all of the above listed areas are complainant with the Shires Bush Fires Notice. **Internal Audit Conclusion** Process needs to be regularly audited to make sure compliance to section 33 and appropriate bushfire risk management is in place with additional treatment actions if needed. It is also suggested to follow this process with control assurance in ISO 31000.

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3-Compliance Audit Return	With reference to the 2023 Compliance Audit Return, Internal Audit has conducted review on integrity of the process.
	Due to widespread scope to verify accuracy and completeness of each response by different respondents, internal audit has limited the review to agree individual responses to final Compliance Audit Return based on Attain (Compliance System) as follows:

Area	Respondent	Responses
C189 Delegation of Power / Duty	Manager Governance	All YES
C189 Disclosure of Interest	Manager Governance	All YES
C189 Commercial Enterprise by Local Governments	Executive Manager Land, Property and Regulatory Services	All YES
C189 Disposal of Property	Executive Manager Land, Property and Regulatory Services	All YES
C189 Integrated Planning and Reporting	Manager Governance	All YES
C189 Local Government Employees	Manager Organisational Development	All YES
C189 Tenders for Providing Goods and Services	Senior Procurement Officer	All YES
C189 Finance	Manager Finance	All YES
C189 Official Conduct	Manager Governance	All YES
C189 Optional Questions	Manager Governance	1 **NO** Answer was informed. 3. s5.87C - Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?

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			Five disclosures in 2023 were received outside of the 10 day disclosure period.
	C189 Elections	Manager Governance	All YES

Consultation

Adopted Strategic Internal Audit Plan shows the consultation framework as follows:

Output	IIA Standard	Council	Audit and Risk Management Committee	CEO/ ELT	Audit Sponsor/ Director	Internal Audit
Internal Audit Charter	1000	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Strategic Internal Audit Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Annual Internal Audit Service Delivery Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Internal Audit Manual	2040	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Quality Assurance and Improvement Plan	1300, 1320	Adopt	Review / Recommend	Consult / Inform	N/A	Develop
Annual Internal Audit Status Report	2060	Receive	Review / Recommend	Inform	Inform	Develop / Approve
Audit Engagements						
Planning Memorandum	2200	N/A	N/A	Consult/ Approve	Consult	Develop / Approve
Draft Report	2400	N/A	N/A	N/A	Consult	Develop
Final Report	2400, 2440	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,

- Internal control, and

- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee, the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if high risk areas identified for assurance is monitored.	Possible (3)	Major (4)	High (10-16)	Implementation of Risk Treatments and use internal audit as 3rd line of defence.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Internal Audit Status Update, the Audit and Risk Management Committee recommends that Council, receives the Internal Audit over Compliance Areas Report Q3 2023/2024.

Audit And Risk Management Committee Meeting Minutes　　　20 February 2024

Committee Decision

Moved　　　　　　　　**Cr M Lynch**

Seconded　　　　　　**Cr K White**

That with respect to Internal Audit Status Update, the Audit and Risk Management Committee recommends that Council, receives the Internal Audit over Compliance Areas Report Q3 2023/2024.

For:　　　　**A Smith, K White, M Lynch, A Sullivan and B Healy**

Against:　　**Nil**

Carried 5/0

7   New Business Of An Urgent Nature Introduced By Council Decision

Nil

8   Confidential Matters

Procedural Motion

Moved   **Cr M Lynch**

Seconded   **Cr K White**

That Council move behind closed doors at 8:47am, pursuant to clause 6.2 of the *Shire of Ashburton Standing Orders Local Law 2012* to consider the following confidential items.

8.1   Wittenoom Claims Update

Pursuant to sub section 5.23(2)(c) of the *Local Government Act 1995* which provides:

(b)   the personal affairs of any person

For: A Smith, K White, M Lynch, A Sullivan and B Healy

Against: Nil

Carried 5/0

8.1   Wittenoom Claims Update

File Reference	LS34
Applicant or Proponent(s)	Not Applicable
Author	D Kennedy, Director Corporate Services
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Audit and Risk Committee Meeting 8 August 2023 - Item 8.1
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Reason for Confidentiality

Section under the Act	*This matter is to be considered behind closed doors pursuant to s.5.23(2)(b) of the Local Government Act 1995 as the subject matter relates to:*
Sub-clause and Reason:	*"s.5.23(2)(b) the personal affairs of any person."*

Report Purpose

This item provides a summary of open, resolved and new claims since the last Wittenoom Claims update which was provided to the 8 August 2023 Audit and Risk Management Committee Meeting.

The Audit and Risk Management Committee is requested to receive the Wittenoom Claims update.

Voting Requirements

Simple Majority

Committee Decision

Moved	Cr M Lynch
Seconded	Cr A Sullivan

That with respect to the Wittenoom Claims Update, the Audit and Risk Management Committee recommends to Council that, the report be received.

For: A Smith, K White, M Lynch, A Sullivan and B Healy

Against: Nil

Carried 5/0

Procedural Motion

Moved	**Cr M Lynch**
Seconded	**Cr K White**

That the Audit And Risk Management Committee re-open the meeting to the public at 8:57am.

For: **A Smith, K White, M Lynch, A Sullivan and B Healy**

Against: **Nil**

Carried 5/0

9   Next Meeting

The next Audit And Risk Management Committee Meeting will be held at 8:30am on Tuesday 21 May 2024 at Council Chambers, Onslow Shire Complex. Second Avenue, Onslow.

10   Closure Of Meeting

There being no further business, the Presiding Member closed the meeting at 8:58am.

Agenda Item 6.1 - Attachment 1

Audit Log Pending Items - April 2024

SOA IA 29 Apr 2024   **Shire of Ashburton**

IA

	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
1	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	1. Review systems to ensure practices for routine reviews of the Fixed Asset Register and reconciliations are undertaken and maintained as required by documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Provide evidence of reviews undertaken on the Fixed Asset Register.	Overdue	**29 Jan 2024 by DCS** Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled, including documentation on capitalisation, depreciation etc which are currently under development with consultants ACEAM. Progress Update as at 2 May 2022 Request for Quote 07-21 Shire Property Assessments has been awarded that incorporates data collection on all shire owned property in Tom Price, Paraburdoo and Onslow, which will be used to verify data contained within the Shire's fixed asset register. Additional asset classes will be programmed in future years. Fixed Asset Register reconciliations are completed monthly and reviewed by the Manager Finance and Administration, with the task have been incorporated in end of month financial checklist. Status Completed	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
2	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	2. Enforce individual accountability for compliance with the Shire's documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Awareness provided i.e. email commiunications etc to remind employees about Shire's documented procedures.	Overdue	**29 Jan 2024 by DSC** Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled, including documentation on capitalisation, depreciation etc which are currently under development with consultants ACEAM.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
3	22-Apr-21	Moore Australia	Review of FMR	Debtors	3. Implement checklists to evidence preparation, review and monitoring of tasks as required by Finance Manual procedures. This will allow for management to routinely monitor compliance and to assist with ensuring procedural requirements are adhered to in a timely manner.	Medium	Manager Finance	Checklists to be implemented by EOM March 2021.	Examples of checklists implemented and completed.	Overdue	**29 Jan 2024 by DSC** What is required to close this one. Rates & Debtors Modules are being reconciled on a monthly basis? Progress update as at 2 May 2022 •Rates and Sundry Debtors reconciliations are completed monthly and reviewed by the Manager Finance and Administration, with the task have been incorporated in end of month financial checklist. •Incorporated into the EOM process and checklist is the provision to review end of month reconciliations and ensure the checklists has been completed prior to the preparation and finalization of the monthly financial statements. Status Complete	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
6	22-Apr-21	Moore Australia	Procurement	Documented Policies & Procedures	6. Documented Policies and Procedures Create checklists for tasks and controls noted within documented policies and procedures to assist with and to evidence compliance	High	Manager Finance	To be implemented by EOM May 2021.	Examples of checklists implemented and completed.	Overdue	**29 Jan 2024 by DSC** Is this a Finance or a Procurement Task. Very generic recommendation and believe this should be closed and focus maintained on any findings coming from Interim or Final Audit. Progress Update: Staff are currently reviewing new procurement systems to be implemented in 2021/202. The system implementation will incorporate the review and/or development of various council policies, processed and directives, that will be inbuilt into the system to ensure compliance. Additional review of transactions associated with Muzzy's is occurring with key stakeholders set to meet in the near future to resolved issues raised. Status Ongoing	**SOA IA 29 Jan 2024** Refer to Process Owner and for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
18	22-Apr-21	Moore Australia	Procurement	Variations	18. Variations Update KCA 10 Purchasing, Creditors, Procurement and Payments to provide for current requirements in relation to variations and approvals.	High	Manager Finance	Recommendation to be implemented by June 2021 .	Provide updated KCA 10	Overdue	**29 Jan 2024 by DCS** More details required. I don't understand the recommendation Progress Update: The induction of new systems improvements will incorporate a complete review of the overall procurement process including the review of policies and directives as identified by the reviewer. A new procurement platform is currently being investigated which will include the ability to in-build shire requirements and reflect the shire's workflow for variations. Update – September 2021. Upgrade to Altus included in 2021-2022 budget, which may include upgrade to Altus procurement / Contract Management.	**SOA IA 29 Jan 2024** Refer to Process Owner for Evidence/ Confirmation to close. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress
19	22-Apr-21	Moore Australia	Procurement	Segregation of Duties	19 Segregation of Duties Review and update levels of permissions within the Shire's ERP to support segregation of duties	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Screen shots showing the level of permissions within the Shire's ERP.	Overdue	**29 Jan 2024** I don't know what is required to close this out. EFTSURE has been implemented and Synergy permissions are being maintained Progress Update: New application, eftsure, is being acquired and will be implemented in July 2021. This new application incorporates payment protection, compliance monitoring and vendor onboarding by a third party. Implementation of new system will reduce the Shire's exposure to fraudulent activities as well as increasing the segregation of duties within the accounts payable team. Processes and procedures will be updated at the time of implementation, which will include a review of controls. Update – November 2021. Procurement to suitable solution has been complete, new system to be implemented in the new year. Update – February 2020. EFTSure is currently being implemented and due to go live in April 2022.	**SOA IA 29 Jan 2024** Refer to Process Owner for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Apr 2024

Shire of Ashburton

IA										Current Review Date:		
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
21	22-Apr-21	Moore Australia	Procurement	Approval of Invoices	21. Approval of Invoices, Compliance with Policies and Procedures Consider the implementation of authorised checklists and / or workflow diagrams to assist with compliance and understanding of systems and processes to be followed.	Medium	Manager Finance	Recommendation noted	Provide examples of checklist created	Not Due	**SOA IA 29 Jan 2024** Refer to ARITAG – I don't think this is an issue. A new ERP would have improved workflow capabilities but in the meantime, controls within Synergy are considered adequate Progress Update: Continued monitoring of current practices to ensure compliance.Checklists and workflows will be inbuilt into the new procurement systems to ensure compliance and meeting of best practice.	**SOA IA 29 Jan 2024** In Progress, Please refer to ARCITAG 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
25	22-Apr-21	Moore Australia	Procurement	Credit Cards	25. Credit Cards Ensure processes exist to maintain adherence to and detect any deviation from established documented procedures and controls.	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Provide evidence of process to aintain adherence to and detect any deviation from established documented procedures and controls	Overdue	**29 Jan 2024 by DCS** New Credit Card Expense Management system currently being implemented. Believe this items is outdated and should be closed. Progress Update: A review of credit card best practices currently in progress which may include the reduction of the number of card holders and the manner in which a credit card may be used. Corporate Credit Card conditions of use to be developed in line with updated policies, processes, and directives. Continued monitoring of practices to ensure compliance.	**SOA IA 29 Jan 2024** Inprogress 8 February 2023: Council Policy EMP24 Corporate Credit Card is currently under review. It is anticipated this policy will be submitted to Council in March 2023. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress
29	22-Apr-21	Moore Australia	Risk Management	Alignment to Strategic Plan & Business Plan	29. Alignment to Strategic Plan and Business Plan Consider and document current and emerging risks in the Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place.	Medium	Manager Governance	Recommendation noted	Provide updated Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place	Not Due	**29 Jan 2024** Refer to ARITAG. Whole new risk management framework is to be implemented. This should be closed. **SOA IA 21 Dec 2023** Strategic Risks are documented in the Strategic Community Plan and Corporate Business Plan. These will be further defined and updated in the plans as part of their reviews in 2024. **SOA IA 25 Aug 2023** Risk Management considerations have been included in the Corporate Business Plan. 28 Feb 23: Strategic risks will be considered for inclusion in the Strategic Community Plan during its next review in 2024. A new Corporate Business Plan will be developed in the coming months.	**SOA IA 21 Dec 2023** Process owner clims as completed given the strategic risks are documented in SCP and CBP. Howevever in view of recomendation and agreed action, it was not found adiquate documentation and actual proces how Strategic Risks are effectively manged. As such finding status remains unchange in progress. **SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per mgmt progress update. 12 December 2022: Updated SCP adopted by council, mentions risk identification but does not specify risks identified. CBP review has not yet commenced. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
30	22-Apr-21	Moore Australia	Risk Management	Council & Audit & Risk Mgmt Committee	30. Councill and Audit and Risk Management Committee Review CORP5 Risk Management Policy to better define the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Medium	Manager Governance	Recommendation to be implemented by EOM June 2021.	Provide updated CORP5 Risk Management Policy to show the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Overdue	**29 Jan 2024** Refer to ARITAG – Updated Risk Management Policy will form part of the risk management framework maturity body of work. **SOA IA 21 Dec 2023** Consultant appointed. Initial meeting held 15 December 2023. **25 Oct 2023** Risk Management and Business Continuity RFQ closed on Friday, 13 October. The panel are currently reviewing the submissions. **25 Aug 2023 SOA IA** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: Status update Council adopted the review of the Risk Management Policy on 13 December 2022 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review Policy CORP5 Risk Management. This is proposed to be presented to Audit and Risk Management Committee in February 2023. Progress Update: Term of reference to be reviewed based on department guidelines and best practice. To be presented for discussion with the audit committee.	**SOA IA 21 Dec 2023** Re mains in progress **SOA IA 25 Oct 2023** In Progress **25 Aug 2023 SOA IA** In Progress **31 January 2023:** Risk Framework does not cover responsibilities of all relevant roles required. Have not received Policy. No status change. **25 January 2023:** Elrich: We may need to review again but it only tells you the responsibility of the CEO 12 December 2022: Workshops held to review CORP5 Risk Mgmt - No evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
32	22-Apr-21	Moore Australia	Risk Management	Risk Management	32. Risk Management Annual Work Plan and Calendar Develop, approve, document, monitor and report on a risk management calendar and annual work plan, which identifies the risk management events that are scheduled to occur to ensure that all deadlines are met.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	**29 Jan 2024** Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability **SOA IA 25 Aug 2023** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Annual Work Plan is currently being drafted for approval.	**SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per mgmt progress update. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Apr 2024   # Shire of Ashburton

	IA											
										Current Review Date:		

	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
33	22-Apr-21	Moore Australia	Risk Management	Risk Management	33. Risk Management Annual Work Plan and Calendar Develop, approve, monitor and report on a risk management training calendar and perform induction and regular training for management, staff, contractors and volunteers. Ensure that the risk manager and risk owners have induction and regular training to ensure they understand their role and responsibility and better practice principles. This can be performed via online training and be integrated with other training performed by the Shire.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	**29 Jan 2024** Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability **25 Aug 2023** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Management Training program is currently being drafted for approval.	**SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per client progress update.	In Progress
36	22-Apr-21	Moore Australia	Risk Management	Risk Register	36. Risk Register Create, implement and maintain an organisational Risk Register and consider: - overlap, duplication and risk owners, shared risks and whether a residual risk falls within or outside the Shire's risk appetite- where business units risk registers can be used as an effective risk management tool- more regular reviews of risks more than annually regular assessment of the shared risks and the impact on the Shire, - the risk management categories to ensure they are appropriate to assist with risk identification and management, -application of professional judgement in assessment of effectiveness of controls in line with documented systems and controls	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide implemented organisational Risk Register	Not Due	**29 Jan 2024 by DCS** Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability **25 Aug 2023** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future. Progress Update: Updating of the operation risk register and implementing strategic risk register to commence on the appointment of the new Audit and Government position Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	**SOA IA 25 Aug 2023** In Progress 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
37	22-Apr-21	Moore Australia	Risk Management	Risk Appetite, Risk Tolerance Statements & Treatment	37. Risk Appetite, Risk Tolerance Statements and Treatment Action Plans Develop, approve, monitor and report on a risk appetite, risk tolerance and treatment action plans and then consider these within documented risk management practices. Consider the effectiveness of controls to ensure that treatment action plans are not required to reduce risk to within risk appetite.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk appetite, risk tolerance and treatment action plan	Not Due	**SOA IA 25 Aug 2023** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Appetite Statements currently being drafted based on risk categories.	**SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per client progress update. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
38	22-Apr-21	Moore Australia	Risk Management	Risk Management Strategy	38. Risk Management Strategy Develop, a risk management strategy and review this at least on an annual basis or when material risks are identified.	Medium	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk management strategy	Not Due	**SOA IA 25 Aug 2023** A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	**SOA IA 25 Aug 2023** In Progress 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
39	22-Apr-21	Moore Australia	Risk Management	Special Activities & Project Risks	39. Special Activities and Project Risks Develop an approved risk assessment tool for special projects and activities which are being considered to be undertaken	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk assessment tool for special projects and activities	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has developed a risk assessment tool for the Shire (attached) which can be adapted and used for events and projects. This will be circulated to staff in the first quarter of 2023. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS. As part of this work LGIS has developed a tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Tool provided is for the Shire's Risk Profile and cannot be used for individual risk assessements. Proposed to revert status to In Progress. 25 January 2023: We have received the tool 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS. As part of this work LGIS has developed a tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
40	22-Apr-21	Moore Australia	Risk Management	Embedded Risk Management	40. Embedded Risk Management Consider and document how the risk management is integrated and embedded within Shire processes. Strategies that can be considered include risk champions, workshops with management and staff.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide evidence on how the risk management is integrated and embedded within Shire processes.	Not Due	25 Aug 2023 SOA IA A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	25 Aug 2023 SOA IA 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
41	22-Apr-21	Moore Australia	Risk Management	Audit & Risk Management Committee	41. Audit and Risk Management Committee Include a summary of the risk management activities as an agenda paper for Audit & Risk Management Committee meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM September 2021.	Provide examples of a summary of the risk management activities on the agenda paper for Audit & Risk Management Committee meetings	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. Client wishes to discuss with Moore.	In Progress
42	22-Apr-21	Moore Australia	Risk Management	Executive Leadership Team	42. Executive Leadership Team Include a summary of the risk management activities as an agenda paper for Executive Leadership Team meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM April 2021.	Provide examples of a summary of the risk management activities on the agenda paper for ELT meetings	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
43	22-Apr-21	Moore Australia	Risk Management	Compliance with Legislative Requirements	43. Compliance with Legislative Requirements Develop and implement a risk management framework / strategy and supporting systems and procedures aligned to the current risk Management Standard, ISO 31000:2018.	Medium	Manager Governance	Recommendation to be implemented	Provide risk management framework and supporting policies and procedures	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has reviewed the Shire's current Risk Management Framework (attached). This will be circulated to staff for comment in the first quarter of 2023. This will be submitted to the Audit and Risk Committee for endorsement once finalised. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: Risk management framework / strategies, systems and procedures to be reviewed against and aligned with new standards, to be carried out by the new Audit and Governance Officer. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Framework received accounts for ISO standard, yet to received Risk Management Policy. No status change. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
44	22-Apr-21	Moore Australia	Risk Management	Staff Adherence and Audits	44. Staff Adherence and Audits Perform regular external or internal independent assessment of Risk Management to identify improvement opportunities.	Medium	Manager Governance	Recommendation to be implemented	Provide examples for risk assessments undertaken	Not Due	25 Aug 2023 SOA IA Not Started 28 Feb 23: Risk Management review is required to be undertaken every three years in accordance with the Local Government (Audit) Regulations 1996. The next review is due to be conducted in 2023.	25 Aug 2023 SOA IA Not Started 28 Feb 23: As per client progress update.	Not Started
45	22-Apr-21	Moore Australia	Risk Management	Performance Indicators	45. Performance Indicators Develop, approve, document, monitor and report risk management performance indicators or measures to allow expected performance and actual performance to be compared.	Low	Manager Governance	Recommendation to be implemented	Provide copy of KPI for risk management	Not Due	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
46	22-Apr-21	Moore Australia	Risk Management	Survey of Risk Owners, Management, Staff, Contractors & Volunteers	46. Survey of Risk Owners, Management, Staff, Contractors and Volunteers Survey a selection of risk owners, management, staff, contractors and/ or volunteers to identify continuous improvement opportunities.	Low	Manager Governance	Recommendation to be implemented	Provide copy of survey undertaken.	Not Due	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
47	22-Apr-21	Moore Australia	Grants Management	Application of Grants	47. Application of Grants Improve systems and controls through establishing set criterion to support decision making and authorisation for grant applications	Medium	Manager Finance	Recommendations noted	Provide set criterion for Grants	Not Due	**29 Jan 2024 by DCS** Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability. Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
48	22-Apr-21	Moore Australia	Grants Management	Application of Grants	48. Application of Grants Enforce individual accountability for compliance with the Shire's documented procedures	Medium	Manager Finance	Recommendations noted	Awareness provided i.e. email commiunications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
49	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	49. Acquittal of Grants Review documented procedures to include clearer requirements to support grant acquittals to assist with a higher level review for the timely completion and submission of acquittals and audits.	Medium	Manager Finance	Recommendations noted	Provide updated Grants procedures	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
50	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	50. Acquittal of Grants Establish authorised checklists to be completed by each department managing grants to evidence the routine review of grants and the provision of any required information as required by internal policies and procedures.	Medium	Manager Finance	Recommendations noted	Provide examples of checklists completed.	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
51	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	51. Compliance with Grant Conditions Create a grants matrix to allow higher level analysis and review of compliance with grant conditions and clauses.	Medium	Manager Finance	Recommendations noted	Provide Grant matrix	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
52	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	52. Compliance with Grant Conditions In addition to the recording of compliance for grant programs, establish a register to maintain records of compliance and non-compliance.	Medium	Manager Finance	Recommendations noted	Provide copy of Grants Compliance Register	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
53	22-Apr-21	Moore Australia	Grants Management	Governance	53. Update internal resource library (intranet) to maintain live documents as required by documented procedures.	Low	Manager Governance	Recommendations noted	Provide screenshots of intranet with live documents as Grants procedures	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
54	22-Apr-21	Moore Australia	Grants Management	Governance	54. Governance Clarify KCA 3 Grants to define expected compliance requirements and create support documents as required to facilitate compliance.	Low	Manager Finance	Recommendations noted	Provide updated KCA 3 with updated compliance requirements	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
55	22-Apr-21	Moore Australia	Grants Management	Governance	55. Enforce individual accountability with documented procedures.	Low	Manager Governance	Recommendations noted	Awareness provided i.e. email commiunications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
56	22-Apr-21	Moore Australia	Grants Management	Governance	56 Governance Undertake an evaluation of current grant programs to identify non-compliant grants and action as required.	Low	Manager Finance	Recommendations noted	Provide evidence of evaluation undertaken	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
64	22-Apr-21	Moore Australia	Records Management	Language Control	64.Language Control Review, improve and update the systems and controls for language control within record keeping systems.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence on how the Shire ensure language control in systems	Overdue	**SOA IA 25 Aug 2023** A directive/procedure will be developed in Q4 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 28 Feb 23: Improvements/standardised naming conventions are being implemented across the Shire's records management system. A documented approach will be considered in preparation for the implementation of a new records management system.	**SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
65	22-Apr-21	Moore Australia	Records Management	Language Control	65. Language Control Consider review of historic records to identify any high risk considerations which require examination and updates for compliance with approved record keeping practices.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Did the Shire review this? Provide evidence	Overdue	**SOA IA 25 Aug 2023** This project will take approximately 2 years to complete. 28 Feb 23: A review of historic records is currently being undertaken. As part of this review, naming conventions are being standardised to allow for documents to be easily located.	**SOA IA 25 Aug 2023** In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
69	22-Apr-21	Moore Australia	Records Management	Training	69. Training Test backup procedures, usability and readability of backup tapes/discs on a regular basis.	Medium	Manager ICT	Recommendations noted	Provide test backup procedured	Not Due	**29 Jan 2024** Refer to ARITAG – backup tests are being performed as part of IT disaster recovery processes. Don't understand why this is an outstanding item. Progress update as at: Corporate Services to arrange via their external ICT or other consulting providers. Progress Update: The proposed new system is backed up in accordance with industry best practices standards. Regular testing to take place one system is operational, in line with the Shire's Record Keeping Plan.	**25 July 2023 SOA IA -** No progress update 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
70	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	70. Key Performance Indicators Refine and develop criteria to assess the performance of the recordkeeping program.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide riteria to assess the performance of the recordkeeping program	Overdue	**29 Jan 2024** Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in plance **SOA IA 25 Aug 2023** The Shire has not implemented coordinated performance monitoring and reporting at this stage. As the organisation matures and more processes are put in place, this will be implemented. Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.	**SOA IA 25 Aug 2023** Not Started 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
71	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	71. Key Performance Indicators Implement a survey mechanism to measure levels of staff satisfaction with recordkeeping operations.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence of survey completed	Overdue	**SOA IA 25 Aug 2023** A survey will be considered at a later date. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.	**SOA IA 25 Aug 2023** Not Started 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
84	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Develop a document or register that classifies key records by access or confidential level and the associated security classification	Medium	Manager Governance	Agreed	Provide register that classifies key records or confidential level and the associated security classification	Overdue	**29 Jan 2024** Refer to ARITAG – This will be delivered if the Shire proceeds with the implementation of the Information Architecture that is currently being developed. **SOA IA 25 Aug 2023** A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	**SOA IA 25 Aug 2023** Not Started	Not Started
85	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that the document is approved by the CEO or the relevant delegated authority	Medium	Manager Governance	Agreed	Referring to item 84. Was it approved by the CEO? Evidence	Overdue	**29 Jan 2024** Refer to ARITAG – CEO will signoff Information Architecture once developed **SOA IA 25 Aug 2023** A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 31 Ocotber 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	**SOA IA 25 Aug 2023** In Progress	In Progress
86	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Communicate to relevant staff	Medium	Manager Governance	Agreed	Referring to item 84. Awareness provided i.e. email commiunications etc to remind employees about Shire's documented procedures.	Overdue	**SOA IA 25 Aug 2023** A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	**SOA IA 25 Aug 2023** Not Started	Not Started
87	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that records are classified as per the approved document.	Medium	Manager Governance	Agreed	Referring to item 84. Provide evidence to show classification.	Overdue	**SOA IA 25 Aug 2023** A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	**SOA IA 25 Aug 2023** Not Started	Not Started
96	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Develop KPI's for monitoring compliance and performance of the records and information management function	Medium	Manager Governance	Agreed	Provide KPI's for compliance and performance	Overdue	**29 Jan 2024** Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in plance **SOA IA 25 Aug 2023** Not Startedd	**SOA IA 25 Aug 2023** Not Startetd	Not Started
97	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Ensure KPI's are approved by the Executive or relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by ELT member or delegated authority	Overdue	**SOA IA 25 Aug 2023** Not Startedd	**SOA IA 25 Aug 2023** Not Startetd	Not Started
98	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Have a standard agenda item on a regular basis to discuss records management matters; and	Medium	Manager Governance	Agreed	Provide example of agenda paper where records management was discussed.	Overdue	**SOA IA 25 Aug 2023** Not Startedd	**SOA IA 25 Aug 2023** Not Startetd	Not Started
99	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Regularly report to the Executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	**SOA IA 25 Aug 2023** Not Startedd	**SOA IA 25 Aug 2023** Not Startetd	Not Started
100	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed	How does the Shire monitor compliance of records management	Overdue	**SOA IA 25 Aug 2023** The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.	**SOA IA 25 Aug 2023** Transferred to In Progress	In Progress

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101	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Regularly monitor; and report to executive and the Audit and Risk Committee the outcomes.	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	SOA IA 25 Aug 2023 The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
102	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Review the Records Emergency Management Plan	Medium	Manager Governance	Agreed	Provide update of Records Emergency Management Plan	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022 - no evidence received.	In Progress
103	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Ensure it is approved by the CEO and the relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by CEO	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress	In Progress
104	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Made available to all staff.	Medium	Manager Governance	Agreed	Provided to staff? How? Email, Intranet, through learning. Provide examples.	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
105	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	High	Manager ICT	Agreed. Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Overdue	29 Jan 2024 by DSC Refer to ARITAG – Significant work has and is being done in this space. ITGC Management Letter items which are aligned to the Essential 8 framework are being put in place that should address all the Moore items. Nessus Pro network scanning system is currently being implemented and Avantgarde Technologies are about to do a complete ICT Current State Audit which will prioritise cyber related actions.	25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted.	In Progress
106	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
107	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the supporting operating procedures approved by the Director Corporate Services	Have the supporting operating procedures approved by the Director Corporate Services	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
108	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Communicate the framework and supporting operating procedures to all staff within the organisation	High	Manager ICT	Agreed. Communicate the framework and supporting operating procedures to all staff within the organisation;	Communicate the framework and supporting operating procedures to all staff within the organisation;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
109	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis	High	Manager ICT	Agreed. Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
110	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a program of reviewing framework and operating procedures at a minimum every two years	High	Manager ICT	Agreed. Establish a program of reviewing framework and operating procedures at a minimum every two years.	Establish a program of reviewing framework and operating procedures at a minimum every two years.	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
113	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Conduct cyber security risk assessment at planned intervals (including using existing information to inform the assessments)	Medium	Manager ICT	Agreed. Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
114	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Retain documented information of the results of the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
115	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Update key governance documents and processes post performing the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue		25 July 2023 SOA IA - No progress update	Not Started
116	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Establish an annual program of testing vulnerabilities (including penetration testing) which can be performed in house by staff with appropriate skills and experience or externally by consultants	Medium	Manager ICT	Agreed. Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - No progress update	Not Started
117	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Develop processes for documenting and addressing identified vulnerabilities in a timely manner	Medium	Manager ICT	Agreed. Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Transferred to In Progress	In Progress

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Shire of Ashburton

IA   Current Review Date:

#	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
118	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress
119	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Ensure security measures included in the framework are implemented	Ensure security measures included in the framework are implemented	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress
120	01-Nov-22	Moore Australia	Reporting of Cyber Security Incidents and Threats	Establish processes for identifying recording and reporting cyber security incidents to the relevant external entities and internally to the relevant authority	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
121	01-Nov-22	Moore Australia	Reporting of Cyber Security Incidents and Threats	Determine the frequency and key areas that the reporting will cover	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
122	01-Nov-22	Moore Australia	Strategies and Plans for Recovery from Cyber security attacks and Threats	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including Cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Overdue	22 Sep 2023 SOA IA Already have a recruitment and Retention Strategy in place – needs review. Have already commenced with review of directives and procedures.	23 February 2023: First draft completed	In Progress
124	01-Nov-22	Moore Australia	Strategies and Plans for Recovery from Cyber security attacks and Threats	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an ICT asset replacement program	Develop an ICT asset replacement program	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Remains In Progress 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress
125	01-Nov-22	Moore Australia	Strategies and Plans for Recovery from Cyber security attacks and Threats	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Transferred to In Progress	In Progress
126	01-Nov-22	Moore Australia	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish a removable media arrangement or policy that outlines the Shires expectation on the use, handling and protection of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate removable media arrangements into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate removable media arrangements into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
127	01-Nov-22	Moore Australia	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish arrangements for monitoring unauthorised data access and excessive use of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
128	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Review the Shire's Business Continuity Management Arrangements (BCMA) to ensure they reflect current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	Overdue	29 Jan 2024 by DSC Refer to ARITAG – This is part of the Risk Management Consultants brief and will be completed over the next 12 months. SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
129	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Ensure the BCMA, are approved by the CEO or Executive Leadership Team	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Have the BCMA approved by the Executive Leadership Team.	Have the BCMA approved by the Executive Leadership Team.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
130	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Communicate the BCMA, to all staff within the organisation	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Communicate the BCMA to all staff within the organisation.	Communicate the BCMA to all staff within the organisation.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire. Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started

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IA

	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
131	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Copies of the BCMA, be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
132	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Establish a program of reviewing the Business Continuity Management Arrangements, at a minimum every one year	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review frequency to incorporate in the revised Business Continuity Management Arrangements.	Review frequency to be incorporate in the revised Business Continuity Management Arrangements.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
133	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Conduct Risk Assessment and Business Impact Assessment	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
134	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Use findings to update the business continuity arrangements	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
135	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Develop an ICT Disaster recovery plan which outlines the overall strategy for recovery ICT reasons and the activities required to implement the strategy, including timelines for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 28 Feb 23: In progress - draft completed.	In Progress
137	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an iCT asset replacement program.	Develop an ICT asset replacement program.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress
138	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - Remains In Progress	In Progress
139	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Establish a program of exercising and testing of the BCP arrangements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
140	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Ensure the program is performed on a timely basis	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
141	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
142	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Establish an ongoing training program for staff on business continuity including refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Establish an ongoing training program for staff on business continuity including refresher training	Budget should be amended to provide appropriate training.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
143	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure that the program is approved by the CEO or the delegated authority	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
144	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Maintain an up-to-date log of when staff last completed their training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started

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	IA										Current Review Date:		
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
145	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Set minimum timeframes for when staff should attend the refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
146	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure staff the attend the training and refresher courses	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
147	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Develop reporting and for monitoring compliance and performance of the Shire's business continuity management arrangements	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
148	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Ensure the requirements are approved by the CEO, Executive or relevant delegated authority	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
149	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Regularly report to the executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
150	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed. Determine the frequency and method of monitoring compliance	Determine the frequency and method of monitoring compliance	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
151	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Regularly monitor; and Report to executive and the Audit and Risk Committee the outcomes	Medium	Manager Governance	Agreed. Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
185	02-Dec-22	Moore Australia	Contract Management	Contract Register	Develop comprehensive policies and procedures to manage and review the Contract Register	Medium	Senior Procurement Officer	Develop a procedure for the management and review of the Contract Register	Develop a procedure for the management and review of the Contract Register	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. 21 Dec 2023 Drafts forwarded to DCEO for comment/review. 25 Oct 2023 Drafts forwarded to WHS Consultant and Financial Audit Controller for comment/review. 22 Sep 2023 Drafts resent to Director Community Services for review, Deputy CEO cc'd in also SOA IA 25 Aug 2023 Procedure is being developed, in Draft stage, yet to be approved by Director. Feedback from staff received SOA IA 25 July 2023-Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback yet. 2023 July 4: Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. 2023 May 23: Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval.	SOA IA 21 Dec 2023 Remains in Progress SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 28 March 23: Shire in process of developing procedures and Directive.	In Progress

SOA IA 29 Apr 2024   # Shire of Ashburton

	IA											
									Current Review Date:			
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
186	02-Dec-22	Moore Australia	Contract Management	Contract and Supplier Performance Management	Develop and implement comprehensive performance management policies and procedures for the purposes for contract and supplier management in line with the WA Contract Management Framework Principles published by the Department of Finance. This includes processes such as, but not limited to: •Regular and structured performance reviews; •Formal documentation requirements for performance review meetings and communication with suppliers; •Monitoring and resolving non-compliance or poor contract performance with contract conditions; and •Mechanisms to ensure consistent processes to ensure contract conditions and deliverables are assessed and recorded in a final review.	High	Senior Procurement Officer	Incorporate contract performance management in the Contract Management Directive	Incorporate contract performance management in the Contract Management Directive	Overdue	**29 Jan 2024** Drafts forwarded to MMG for comment/review as per ADCEO instructions. **SOA IA 21 Dec 2023** Drafts forwarded to DCEO for comment/review. **25 Oct 2023** Forwarded to WHS Consultant and Financial Audit Controller for comment/review. **22 Sep 2023** Drafts resent to Director Community Services for review, Deputy CEO cc'd in also **25 Aug 2023** Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. . Feedback from staff received. **25 July 2023-** Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. **2023 July 4:** Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. **2023 May 23:** Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval.	**SOA IA 21 Dec 2023** Remains in progress **SOA IA 25 Oct 2023** In Progress **SOA IA 25 Aug 2023** In Progress **SOA IA 25 July 2023** Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 28 March 23: Shire in process of developing procedures and Directive.	In Progress
192	02-Dec-22	Moore Australia	Contract Management	Contract Variations	Execute a review process for contract variations to determine whether the cumulative effect of variations requires a separate procurement process	High	Senior Procurement Officer	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Overdue	**29 Jan 2024** Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. **SOA IA 21 Dec 2023** Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. **25 Oct 2023** Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. **22 Sep 2023** Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. **25 Aug 2023** Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. Feedback from some staff received. **25 July 2023-** Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. No feedback as yet. **2023 July 4:** Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. No feedback as yet.	**SOA IA 21 Dec 2023** In progress **25 Oct 2023** In Progress **SOA IA 25 Aug 2023** In Progress **SOA IA 25 July 2023** Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence of review.	In Progress
193	02-Dec-22	Moore Australia	Contract Management	Training and Contract Manager Continuity	The Shire should: •Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; •Set minimum timeframes for when staff should attend the refresher training; and •Ensure staff the attend the training and refresher courses	Medium	Senior Procurement Officer	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	Overdue	**29 Jan 2024** Draft sent for feedback from internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. **SOA IA 21 Dec 2023** Draft sent for feedback from internal stakeholders. Draft forwarded to DCEO for comment/review. **29 Jan 2024** Feedback requested from Internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. **25 Oct 2023** Draft sent for feedback from internal stakeholders. **22 Sep 2023** No feedback received yet. **SOA IA 25 Aug 2023** To be introduced once approved by Director – No feedback as yet. **SOA IA 25 July 2023-** To be introduced once approved by Director – No feedback as yet. **2023 July 4:** To be introduced once approved by Director – No feedback as yet. **2023 May 23:** To be introduced once approved by Director	**SOA IA 21 Dec 2023** In progress **SOA IA 25 Oct 2023** In Progress **SOA IA 25 Aug 2023** In Progress 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
194	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Overdue	SOA IA 21 Dec 2023 Feedback requested from Internal stakeholders / 25 Oct 2023 Feedback requested from Internal stakeholders / 22 Sep 2023 Draft still / 25 July 2023- Draft stage, to consult with relevant departments / 2023 May 23: Draft stage, to consult with relevant departments / 2023 April 27: To be raised with ELT for Performance Review Period – Procurement creating a list of roles and the proposed KPI to be introduced. / Progress Update as at 12 January 2023 Ongoing, Procurement to develop with Project officers and ELT	SOA IA 21 Dec 2023 In progress / SOA IA 25 Oct 2023 In Progress / SOA IA 25 July 2023 Remains in progress. / 2023 July 4: Remains in progress. / 2023 April 27: Remains in progress. / 31 January 2023: No evidence provided.	In Progress
195	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Investigate and implement system to allow for reporting	Investigate and implement system to allow for reporting	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. / 21 Dec 2023 No update / 25 Oct 2023 No update / 22 Sep 2023 No update / 25 July 2023- Once are KPI are finalised, suggestion is for these to be included into Performance review process. / 2023 May 23: Once are KPI are finalised, suggestion is for these to be included into Performance review process. / 2023 April 27: Ensure KPI for projects are included with any project software or forms. / Progress Update as at 12 January 2023 Ongoing, Procurement to develop with Project officers and ELT	SOA IA 25 July 2023 Remains in progress. / 2023 July 4: Remains in progress. / 2023 April 27: Remains in progress. / 31 January 2023: No evidence provided.	In Progress
196	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Reporting to PCG and Audit and Risk Committee.	Reporting to PCG and Audit and Risk Committee.	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. / SOA IA 21 Dec 2023 Ongoing / 25 Oct 2023 Ongoing / 22 Sep 2023 Ongoing / 25 July 2023- As per Audit and Risk Committee schedule and ELT. Completed as ongoing / 2023 April 27: As per Audit and Risk Committee schedule and ELT. Completed as ongoing / Progress Update as at 12 January 2023 Ongoing, Procurement to develop with Project officers and ELT	SOA IA 25 Oct 2023 Remains in progress on the basis that / SOA IA 25 July 2023 Remains in progress. / 2023 July 4: Remains in progress. / 2023 April 27: Remains in progress. / 31 January 2023: No evidence provided.	In Progress
197	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Review, update, approve and implement the Fraud and Corruption Control Plan;	Medium	Director Corporate Services	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Overdue	29 Jan 2024 Refer to ARITAG – I am not sure where this one is at. The Shire has a Fraud & Corruption Framework that Financial Audit Controller was reviewing/updating. / 20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Changed to In progress	In Progress
198	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Develop Fraud and Corruption Policy and procedures	Develop Fraud and Corruption Policy and procedures	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Remains In progress / 8 February 2023: Fraud and Corruption Policy currently being drafted. It is anticipated that this policy will be submitted to the March Ordinary Council Meeting.	In Progress
199	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Transferred to In progress	In Progress

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#	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
200	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Outdated Public Interest Disclosure Information and related Policies and Procedures	All outdated policies and procedures should be reviewed and updated to reflect better practice and compliance requirements;	High	Manager Governance	Outdated Public Interest Disclosure related policies and procedures to be reviewed	Outdated Public Interest Disclosure information and related policies and procedures to be reviewed	Overdue	SOA IA 25 Aug 2023 The Gratuity Policy and Risk Management Policy were reviewed by Council on 13/12/2022. EMP16 Grievance Investigations and Resolution was repealed by Council on 8/11/2022 and is currently being converted into a Directive. The Public Interest Disclosure information on the website and Authorisations Register are currently under review.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
206	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Overdue			Not Started
207	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
208	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should improve oversight over the Shire's Executive Management team in effectively approving and implementing the FC Control Plan;	Medium	Manager Governance	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Overdue	20 Nov 2023 Draft updated Fraud and Corruption Control Plan prepared.	SOA IA 20 Nov 2023 Transferred to In progress	In Progress
209	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Undertake a risk assessment in relation to fraud and corruption.	Undertake a risk assessment in relation to fraud and corruption.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
210	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Develop a Strategic Risk Register.	Develop a Strategic Risk Register.	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
213	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	The Vendor Master files should be reviewed and updated on a timely basis to ensure all relevant information is included;	Medium	Manager Finance	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Overdue			Not Started
214	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	Any missing information, including the ones identified in this audit should be reviewed with all relevant details included as identified;	Medium	Manager Finance	Vender Master Files to be audited and relevant details updated.	Vender Master Files to be audited and relevant details updated.	Overdue			Not Started
215	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Duplicate Cheque / ERT References	Cheque processing should be closely monitored and reviewed by management to ensure that any duplicate reference numbers, including the ones identified in the audit must be investigated and appropriately adjusted;	High	Manager Finance	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Overdue			Not Started
216	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Employees Listed as Vendors in the Vendor Master File	Investigate the issues identified and assess the risk of fraud or error, and institute corrective action if necessary;	Medium	Manager Finance	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Overdue			Not Started
217	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendors Still Being Used after Being Suspension	Vendors being used after their suspension dates should be flagged and inspected to identify why they are still being used with appropriate actions taken to address;	High	Manager Finance	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Overdue			Not Started
220	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	All transactions identified in this report including those with the higher rate of usage in Appendix 5 should be monitored and reviewed on a timely basis to ensure they are free from fraud or error;	High	Manager Finance	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Overdue			Not Started
221	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Any transaction without descriptions, including the ones identified through this audit, should be reconfirmed against supporting documents and necessary descriptions made accordingly;	High	Manager Finance	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	Overdue			Not Started
222	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Consider improving the requisition process to include details of officer raising and approving transactions.	High	Manager Finance	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and approving invoices	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and approving invoices	Overdue			Not Started
224	01-Feb-23	Moore Australia	Payroll & HR FY22	Absence of Human Resources Payroll Management Framework, Policies and Procedures.	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll Management framework, including associated policies and procedures;	High	Manager Organisational Development	The Shire already has the following documents in place: HR Strategic Plan (CEO endorsed), Training and Development Plan (to be executed as part of 2023/24 budget year, Shire Recruitment and Retention Strategy (due for update); HR Service Plan (previous and new draft with KPI's), earlier this year we completed Workforce Plan phase 1 we are currently working on the completion of Workforce Plan phase 2. Leading on from this is a People Plan, which is already drafted. Most of these documents were discussed with the auditors when they were on site. In addition, the Shire has already developed a draft Skills matrix, which will be aligned with training programs in the 2022/23 year. We have finalised our policy review and have already commenced with a review of all HR directives and procedures, which will be finalised in 2023, as part of an organisation-wide initiative. Agree with comments around cancellation of systems/IT access as well as recovery of Shire assets and understanding where this sit to ensure sufficient rigour and control in future. + Manager Finance	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources and Payroll Management Framework, including associated policies and procedures.	Overdue	29 Jan 2024 Please move DL to end April 24. Unable to start with so much movement. Need to finalise structure assessment first, before we can focus on a glossy. Work to be done in lead up to new FY. 25 Oct 2023 Commencing Dec 23 only 25 Aug 2023 Not Started 2023 July 4: As previously mentioned, to action next year – include in 2023/2 budget – not for this FY 2023 May 24: Cost included in 2023/24 budget 28 Feb 23: Review of all HR policies complete (Governance can confirm), ready to commence with Directive review (await go ahead from Governance), yet to commence with OD Management Plan	SOA IA 25 Oct 2023 Not Started SOA IA 25 Aug 2023 Not Started 2023 May 24: Not started. 28 Feb 23: In progress.	Not Started

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IA

									Current Review Date:				
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
227	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of reporting on Human Resources and Payroll activities	Draft approve and implement a performance measurement and reporting framework for human resources and payroll activities, including self-assessment protocols;	High	Manager Organisational Development	HR reporting to ELT has historically been done via a dashboard. Due to lack of capacity, data integrity and especially lack of appropriate software to provide automated and accurate analytics, we have been unable to provide this level of reporting. Reporting is however provided to the CEO and ELT (where required) relating to onboarding survey data, exit data and analysis, employee engagement survey results, training completion reports, Performance Improvement Plans, Workplace Investigations and our annual Performance Review Process (PRP) reporting. In addition, the Manager Organisational Development has formed an LG network with other HR teams for benchmarking purposes. Examples of this are understanding how other Councils recognise and reward their staff, gaining insight into how other Councils (at national level) perform their Workplace Health and Safety function and salary benchmarking for Managers and Executive. Manager Organisational Development has regular scheduled meetings with Shire CEO and has KPI's that aligns with the Shire's strategic community plan. This follows through to the team. All HR team members are experienced HR practitioners and members of the Australian Institute of Human Resources to ensure skills are current and they stay abreast of market and legislative changes. Each Advisor is assigned to a particular stakeholder group to enable work outcomes and individual and team accountability. There are existing KPI's within the HR Service Plan for measurement and each Advisor receives regular Net Promoter Scoring (NPS) from their relevant stakeholder group, thereby driving a culture of service delivery and accountability. We do however take onboard the comment with regards to the Office of the Auditor General report and will use this in future as additional measure. + Manager Finance	Incorporate performance measurement and reporting requirements/processes in the Human Resources and Payroll Management Framework.	Overdue	**29 Jan 2024** Instructed to wait for Difinitiv roll-out – with Corporate Services **25 Oct 2023** Instructed to wait for Difinitiv roll-out **22 Sep 2023** Await Definitive system implementation for HR/OD analytics and reporting, however, the following information is already reported to our CEO, which he has access to: OD team NPS service scores and feedback, Market insight, WHS, PRP, eLearning status, onboarding survey data, exit survey data, leave accruals, employee engagement survey data. Happy to show you these. **25 Aug 2023** Waiting on Altius Payroll **2023 July 4:** As previously mentioned, to action next year – include in 2023/2 budget – not for this FY **2023 May 24:** Using existing data, which the CEO has access to for monthly reporting (EAP, EES, Exit, Onboarding, Incidents, Leave Accruals, PRP and Workers Comp). ELT receives a weekly Incident Management Report. Request for new workforce planning software submitted to ICT Committee and budget proposal submitted for 2023/24. Have been working with Pulse for a while on enhancement requests relating to their analytics capability.	**SOA IA 25 Oct 2023** In Progress **SOA IA 25 Aug 2023** In Progress 2023 May 24: In progress.	In Progress
228	01-Feb-23	Moore Australia	Payroll & HR FY22	Inconsistencies in payroll process and documentation	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll Management framework,	High	Manager Organisational Development	Our HR practices have evolved over the last 12 months. This means we continue to implement new and better practices as part of our business process improvement initiatives. The auditors asked the team to provide	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources and Payroll Management Framework,	Overdue	**22 Sep 2023 SOA IA** Major progress made iro internal controls – ongoing effort as we identify gaps	**SOA IA 25 Aug 2023** In Progress	In Progress
229	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of Control Procedures for Shire Access and Assets	Draft, approve and implement a comprehensive staff exit controls policy and procedures;	Medium	Manager Organisational Development	Agreed	Develop and implement an offboarding directive and procedure. Implement Pulse Offboarding module with automated exit interview notifications and reporting. Incorporate offboarding processes in the framework.	Overdue	**29 Jan 2024** Done - Awaiting MMG and ELT approval **21 Dec 2023** Will be actioned in Jan 24 **20 Nov 2023** Recently approved directives	**SOA IA 20 Nov 2023** 5 Directives were verified **SOA IA 25 Aug 2023** In Progress 2023 May 24: In progress.	In Progress
230	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Revoke inappropriate access to the payroll system and remove ex-employee user profiles from the system; and	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Conduct an audit of SynergySoft access and remove unauthorised access.	Overdue	**29 Jan 2024** Duplicate action. Similar ITGC management letter matter that has been responded to and will be closed out fully at next review	**25 July 2023 SOA IA - Remains In Progress** 2023 May 24:	In Progress
231	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Implement a process to regularly review, monitor and maintain system access control to all Shire information systems.	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Incorporate the regular review, monitoring and maintenance of system access for all Shire information system in the Cybersecurity Framework.	Overdue	**25 July 2023**-Procedure has been drafted. Still to be reviewed. Regularly reoccuring task has been set	**25 July 2023 SOA IA - Transferred to In Progress**	In Progress
234	10-Oct-23	SOA IA	Reg 17-2023	Accuracy and completeness of Asset Register	IA agreed to recommends improve the completeness and accuracy of assets data by improving the communication flow between Finance Department and	High	Manager Assets and Programming	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement by ELT. For distribution and action by Project Mangers through MMG.	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement by ELT.	Overdue	**29 January 2024** Refer to ARITAG and items 1 & 2 above. Significant work being done to improve quality of asset management data	**SOA IA 21 Dec 2023** Transferred to Inprogress	In Progress
235	10-Oct-23	SOA IA	Reg 17-2023	Project management	IA agreed to recommend that the project management methodology and procedures be established in terms of establishing the scope both at pre-budget level and	High	Director Infrastructure Services and Director Community Development	Comments by Director Infrastructure Services and Director Community Development Project management procedures to be reviewed and approved by ELT.	Develop Project Management Procedure including review of Terms and Conditions of contracts	Not Due			Not Started
236	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Smart keys process is now in place, 60% of vehicles now include Smart Tags and percentage is climbing with new Smart Tags recently arriving.	Implementation of Smart Tags 100%	Not Due	**29 Jan 2024** Smart Tags are being issued to individual fleet as required. Require vehicles onsite to issue 70% Complete	**SOA IA 29 Jan 2024** In Progress	In Progress
237	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Reconciliation by SmartFill System for Tom Price is now in place. Onslow will be completed by the target date.	Fuel Reconciliation by SmartFill System for TomPrice and Onslow non moving tanks will be implemented	Not Due	**29 Jan 2024** PO 80984 issued for the bulk tank upgrades and rental agreement signed by DK. Installation January	**SOA IA 29 Jan 2024** In Progress	In Progress
238	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	The Fleet Department are in the process of developing a separate worksheet to capture this data effectively for consumption monitoring.	Implementation of Fleet Fuel consumption monitoring	Not Due	**29 Jan 2024** Excel spreadsheet in progress. In progress	**SOA IA 29 Jan 2024** In Progress	In Progress
239	10-Oct-23	SOA IA	Reg 17-2023	Strategic Waste Management Plan	IA agreed to recommend review the Strategic Waste Management Plan to align with the new SCP and consider implementing best practices to the extent practicable with a funding strategy.	High	Director Infrastructure and Manager Waste Services	A review will commence in the next six months for the plan's alignment and a gap analysis for the decision-making process. Outcome of a new strategic plan or amended will be decided at the time of the analysis review.	Review of Strategic Waste Management plan will commence in the next six months for the plan's alignment and a gap analysis for the decision-making process. Outcome of a new strategic plan or amended will be decided at the time of the analysis review.	Not Due			Not Started
240	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	An internal review will commence of the checklist and undertaken a SWOT analysis of the 2010 checklist vs the outlined condensed version that is in application now	Overdue	**20 Nov 2023** Checklists have been reviewed, formal feedback and assessment is ongoing for next stage. GAP and SWAT analysis	**SOA IA 20 Nov 2023** Transferred to In progress.	In Progress
241	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	Regularise recordkeeping for checklist	Overdue	**20 Nov 2023** Ongoing, all new checklists are going into the digital filing system location	**SOA IA 20 Nov 2023** Transferred to In progress.	In Progress

SOA IA 29 Apr 2024   **Shire of Ashburton**

IA

Current Review Date:

	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
244	10-Oct-23	SOA IA	Reg 17-2023	Follow up and corrective actions process of WHS	IA recommends that all WorkSafe/WHS assessments are to be logged and an appropriate follow up and corrective actions process be implemented which reports progress to ELT or relevant internal committee.	High	Manager Organisational Development	Our WHS Consultant was mobilised onsite on 1 April 2023. While the 2022 high level desktop audit findings have been reviewed, the consultant had to complete more detailed audits of each work area to fully understand the findings including some identified gaps as outlined in the 2022 report. Our onsite WHS Consulting has made great progress to date, including supporting the Shire in achieving its ISO45001 accreditation, which no doubt will address many of the identified issues in the 2022 report. Once the accreditation has been issued, then they will support us in WorkSafe accreditation, which means that everything will be addressed in due course. WHS Consultant progress to date: •Created WHS scope progress plan, socialised with Executive •WHS Dashboard created for Executive reporting •Developed WHS Master Document Register, socialised with Executive •Site audits and safety inspection reports produced by location and site and sent to Executive •Attending toolbox meetings •Workers, supervisor, manager, director coaching and support •Established WHS Committee with Terms of Reference •WHS Skills matrix developed •WHS Risk and Opportunities register developed •Drafted a number of new templates, procedures and reviewing directives •Developed WHS objectives and targets register •Busy developing a WHS Manual •Provisional ISO accreditation received •Continue to drive a safety-first culture.	Everything will be addressed in due cause. (Note By IA: IA recommendation to regularise audit action status tracking and reporting process)	Overdue	**29 Jan 2024** Await ISO Certificate **20 Nov 2023** SAI Global ISO Accreditation Audit - Final stage on site 2-6 Jan 24 **25 Oct 2023** SAI Global ISO Accreditation Audit confirmed for 8-10 Nov 23	**SOA IA 29 Jan 2024** Non confirmation have been identified by auditor shedule dated 5 Jan 2024 **SOA IA 20 Nov 2023** ISO 45000 Stage 1 (Preperation) Report/ Checklist from SAI Global was verified. **SOA IA 25 Oct 2023** Transferred to In progress	In Progress
245	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	CEO and Manager OD commenced with the Shire's Succession Planning process in September 2022. A template was developed and populated by the Manager OD, guided by the CEO. The outcome of the succession planning session aligns with the individual development plans that were put in place at the time, by individual. Succession planning is again scheduled for Q2 (Oct-Dec) of the 2023/24 year, as outlined in the OD 12-month plan and as endorsed by the CEO.	Succession planning is scheduled for Q2 (Oct-Dec) of the 2023/24 year, as outlined in the OD 12-month plan and as endorsed by the CEO.	Overdue	**29 Jan 2024** Have retention working group in place and will pick up succession convo's when new DCEO commences **20 Nov 2023** Meeting held with CEO – succession planning complete for ELT **25 Oct 2023** Meeting scheduled with CEO for 24 October	**SOA IA 20 Nov 2023** Email confirmation was verified. **SOA IA 25 Oct 2023** Transferred to In Progress	In Progress
246	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year. The majority of recommendations as outlined in this strategy document and as endorsed by our CEO, have since been implemented.	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year.	Not Due	**29 Jan 2024** Have retention working group in place and will pick up succession convo's when new DCEO commences **20 Nov 2023** Focus group established, meeting on 24/11 to commence update procedure **25 Oct 2023** Recruitment and Retention Strategy review due Jan-March 24 only.	SOA IA 20 Nov 2023 Transferred to In progress. Team email communication was verified SOA IA 25 Oct 2023 Not started	In Progress
252	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	IA agreed to recommend that directive/procedure for gift cards/vouchers/gifts be documented and a register be developed for community grants.	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Gift Cards Procedure will be developed and implement	Overdue	**20 Nov 2023** DCD email dated 21 Nov 2023-"No this policy is still being reviewed" **25 Oct 2023** Registrar and Process for Grants completed – aligned to current Policy	SOA IA 20 Nov 2023 Directove drafted-In progress SOA IA 20 Nov 2023 Transferred to in progress. Procedure has been drafted side of the register. This need review and present with correct procedure format used by Shire.	In Progress
253	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	Noted. To be completed directive/procedure/register by the end of October 2023.	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Community Grants Register will be developed and implement	Overdue	**25 Oct 2023** Draft Directive complete for review.	SOA IA 25 Oct 2023 Transferred t In progress	In Progress
254	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in a timely manner to further strengthen controls.	Medium	Manager Airport Services	TSP Audit was not undertaken in 2020/21 due to COVID travel restrictions, noting limited aviation security auditors in WA. TSP independent biennial audit has now been undertaken in Aug 2023.	TSP biennial audit has now been included in the airports Annual Compliance checklist which is in development (this document will be finalised by 31 Oct 2023). This checklist will be monitored and actioned as needed, by Manager Airport Services (MAS), Airport Administrator and Airport Reporting Officer.	Overdue	**29 Jan 2024** WIP-It is a complex and time-consuming document to draft as the regulation specific to the compliance tasks are also been included in comment boxes Completion date 31 March. **25 Oct 2023** WIP. It is a complex and time-consuming document to draft as the regulation specific to the compliance tasks are also been included in comment boxes.	SOA IA 25 Oct 2023 Transferred to In Progress	In Progress
255	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in a timely manner to further strengthen controls.	Medium	Manager Airport Services	The mentioned security risk register is a subsidiary document that was developed to be incorporated into the 'Transport Security Risk Assessment' for the airport back in 2014 when the airport was applying to become a screening authority. There is no regulatory requirement to run a risk register for security operations. The risk register has been superseded by the airport TSP.	The security risk register mentioned above can I be expanded upon and incorporated into the airport's existing safety management system (SMS). The airport's SMS is currently a safety-based document; however, it can be amended to include security risks as well. The risks to be included will be the risks from the initial security risk register, updated security risks (if any) and passenger screening operational risk. This action could be completed by December 31, 2023.	Overdue	**25 Oct 2023** Very complex which requires the redrafting of the airport SMS and requires the assistance of a consultant	SOA IA 25 Oct 2023 Not started	Not Started
256	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in a timely manner to further strengthen controls.	Medium	Manager Airport Services	Technical inspection findings identified during the technical inspection are categorised based on the assessed risk implication and the recommended time frame for implementation of corrective actions. [TABLE] The airport's 'actions checklist' is designed around the risk implications in the reports received from the inspectors.	The checklists will be reviewed to consider if a 'risk acceptance' criteria can be included.	Overdue	**29 Jan 2024** Technical inspection due May 2024. Assessed risk and document templated to be review in conjunction with technical inspector Completion date end 31 May 2024 **25 Oct 2023** The next technical inspection is not until June next year. The new risk acceptance will commence then (Requested to change Target Completion 30 June 2024)	SOA IA 25 Oct 2023 Not started	Not Started
258	10-Oct-23	SOA IA	Reg 17-2023	Finance	IA is looking forward to report to ARMC on finance aspects upon completion of FMR.	High	Director corporate Services and Finance Manager	Comments by Director Corporate Services - Noted. Documents are currently being reviewed. Meetings will be arranged to meet target date.	Completion of FMR	Overdue	**20 Nov 2023** Close out meetings to be scheduled now that External Audit nearing completion	SOA IA 20 Nov 2023 Remains in "Not Strarted" till confirm the time plan	Not Started

SOA IA 29 Apr 2024   # Shire of Ashburton

OAG | Current Review Date:

No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
15	30-Jun-21	OAG	Financial	Payroll controls	We recommend the Shire to: 1. Ensure that evidence of changes to the employee master file data are matched to the audit trail report as part of an independent review process; 2. Ensure that officers with a role to independently review changes in master file data do not also have the ability to modify master file data; 3. Implement a procedure to produce audit trail reports from SynergySoft, which are independently reviewed by an independent officer; and 4. Consideration be given to developing appropriate segregation of duties around payroll processes.	High	Manager Finance	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	Overdue			Not Started
22	30-Jun-21	OAG	ITGC	Network Access Management	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principals. Operating procedures to be develop and aligned to the framework and include workflow and record keeping requirements for new, terminated and change in user accounts.	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Overdue	**25 July 2023** - Procedure has been drafted. Still to be reviewed. Regularly reoccuring task has been set	**25 July 2023 SOA IA** - Transferred to In Progress	In Progress
23	30-Jun-21	OAG	ITGC	SynergySoft Financial Application Access Management	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	High	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principals for SynergySoft. Operating procedures to be develop and aligned to the framework.	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	Overdue	**25 July 2023** - Procedure has been drafted. Still to be reviewed. Regularly reoccuring task has been set	**25 July 2023 SOA IA** - Transferred to In Progress	In Progress
24	30-Jun-21	OAG	ITGC	IT Governance - Standards, Policies & Procedures	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including: Shire's Business Continuity Management Arrangements ICT Disaster Recovery Plan Cybersecurity Framework The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures.	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Overdue			Not Started
25	30-Jun-21	OAG	ITGC	Network Security Management	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of the Shire's Cybersecurity Framework and supporting operating procedures that align with the WA Government Cybersecurity Policy and the Australia Government Information Security Manual. The framework will incorporate risk assessments, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Overdue	**25 July 2023** - Procedure has been drafted. Still to be reviewed. Regularly reoccuring task has been set	**25 July 2023 SOA IA** - Transferred to In Progress	In Progress
26	30-Jun-21	OAG	ITGC	Physical and Environmental Security Management	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Medium	Manager ICT	The physical security of key assets (including server rooms) has been identified as a finding within a recent Cybersecurity audit. Security measures and access restrictions to be reviewed and incorporated into the Shire's Cybersecurity Framework and implemented. This will include the monitoring and reporting of approved security measures.	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Overdue	**25 July 2023** - Reviewing possibilities	**25 July 2023 SOA IA** - Transferred to In Progress	In Progress
27	30-Jun-21	OAG	ITGC	Change Management	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews	Medium	Manager ICT	The recommendations will be included in the review and development of the Shire's Cybersecurity Framework. The framework will incorporate risk assessments, approvals, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews.	Overdue	**25 July 2023** - Procedure has been drafted. Still to be reviewed.	**25 July 2023 SOA IA** - Transferred to In Progress	In Progress
31	30-Jun-22	OAG	Financial	Fixed Asset Depreciation Rates	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	High	Manager Finance	A full review of depreciation rates will be conduction in FY23 and will utilise the infrastructure valuation report due by 30 June 2023. This valuation report containing useful life and valuation will form a major part of the depreciation rates assessment.	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	Overdue			Not Started

SOA IA 29 Apr 2024 **Shire of Ashburton**

OAG								**Current Review Date:**					
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
36	30-Jun-22	OAG	ITGC	Risk management	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations have been incorporated into the reviewed Cybersecurity Framework including assessment of Risk. The document is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process Operating procedures to be developed and aligned to the frameworks and include workflow and record keeping requirements for An internal audit road map 2023-2026 has been developed and includes implementing Risk Management Framework ISO 31000, including develop / update operational risk registers. This will include IT Risk Management.	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Not Due			Not Started
38	30-Jun-22	OAG	ITGC	Business continuity management	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans including. Business Continuity Management Arrangements ICT Disaster recovery Plan Cybersecurity Framework. The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures. The Cybersecurity Framework document has been prepared and is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process. Business Continuity Plans and ICT disaster recovery plan is scheduled to commence development shortly.	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Overdue			Not Started
39	30-Jun-23	OAG	Financial	Completeness of road data	The Shire should review and implement processes that involve a thorough examination of how roads data is maintenance and updated in the Shire roads database.	High	Manager Assets and Programming/ Manager Finance	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an Asset Management Consultant to assist with this process.	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an Asset Management Consultant to assist with this process.	Not Due			Not Started
40	30-Jun-23	OAG	Financial	Incorrect depreciation rate used on new additions added to existing infrastructure assets	It is recommended the Shire review and revise their depreciation methodology to ensure it aligns with the Shire's Policies, depreciation expense should accurately be applied and reflect the remaining useful life of assets. Conducting a comprehensive assessment of the affected assets and adjusting the depreciation charges accordingly will help rectify the inaccuracies and improve the reliability of financial reporting. It is also recommended the Shire ensures it applies its revised depreciation	High	Manager Assets and Programming/ Manager Finance	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.	Not Due			Not Started
41	30-Jun-23	OAG	Financial	Completeness of Data provided to the valuer	Ensure that all relevant and updated information, including any additions or modifications to the asset base, is communicated to the valuer. This includes changes occurring throughout the fiscal year to ensure that the valuer is working with the most current and accurate dataset.	High	Manager Assets and Programming	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were conducted on assets excluded from the independent valuer valuations to ensure the Shire was compliant with valuation requirements.	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were conducted on assets excluded from the independent valuer valuations to ensure the Shire was compliant with valuation requirements.	Not Due			Not Started
42	30-Jun-23	OAG	Financial	Review of general journals	We recommend that all manual journals raised undergo independent appropriate level of review from a staff member.	Medium	Manager Finance	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by the Auditors in 2022. It should be noted that the Finance Manager was acting in the position of Director Corporate Services for the majority of the year, limiting the staff with higher hierarchy. A review of internal controls surrounding processing of journals to be develop and documented, aligning to the Shire's risk management objectives.	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by the Auditors in 2022. It should be noted that the Finance Manager was acting in the position of Director Corporate Services for the majority of the year, limiting the staff with higher hierarchy. A review of internal controls surrounding processing of journals to be develop and documented, aligning to the Shire's risk management objectives.	Not Due			Not Started
43	30-Jun-23	OAG	Financial	Recording/ Provision of annual leave	The Shire should regularly review and reconcile annual leave records, implement robust internal controls, and ensure compliance with relevant labour laws and regulations. Additionally, promptly addressing and rectifying any identified inconsistencies is crucial to maintaining trust and transparency within the Shire.	Low	Manager Finance	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with internal control measures to ensure that all leave is processed and approved via the leave system and not entered directly into the timesheets. Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with internal control measures to ensure that all leave is processed and approved via the leave system and not entered directly into the timesheets. Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.	Not Due			Not Started

Agenda Item 6.2 - Attachment 1

Internal Audit over Procurement - February 2024

shire of Ashburton

Shire of Ashburton

Internal Audit over Procurement

February 2024

Acknowledgement of Country

The Shire of Ashburton acknowledges the local Indigenous people, the traditional custodians of this land. We pay respect to the elders, past, present, and emerging and extend that respect to all Aboriginal Australians living within the Shire of Ashburton.

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Contents

From: Diluka Weerasingha, Internal Auditor

To: Audit and Risk Management Committee

Subject: Internal Audit over Procurement (IAOP)

Engagement Period: 1st July 2021 to 30th November 2023

Date: 20 February 2024

Introduction

The *Local Government (Function and General) Regulation* 1996 provides guidelines for local governments in relation to procurement activities. Purchasing activities should align to general principles of transparency, probity, good governance, and compliance.

Last such internal audit had been carried out in 2021 by M/S Moore Australia and issued the report on 22nd April 2021.

Objectives Scope and Criteria

Objectives

Objective of IAOP is to assess the adequacy and effectiveness of established controls and compliance with applicable regulations.

Scope

Area	Control
Policy	• regularly review policy to assess if value thresholds and quote requirements reflect current needs • policies are clear about when and how to apply exemptions
Training	• provide all staff involved in the procurement process with training in relevant policy and processes • training emphasises personal accountability and how probity and transparency relate to procurement • Provide staff with refresher training
Seeking quotes	• that business requirements were determined prior to engaging suppliers • staff used the right purchasing method, as required by their own policies and the Regulations • that the use of exemptions was justified and documented
Tendering	• that tenders were advertised, opened, assessed and recorded in line with the Regulations • documentation was retained to support open, fair and transparent decisions, and show that processes have been followed • that a Tenders Register was maintained in line with Regulations
Conflict of	• that tender evaluation panel members provide positive assurance declarations

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Area	Control
interest	• that declarations were retained and there was a record of how they were assessed and how any conflicts were addressed
Purchase orders and approvals	• that purchase orders were raised for the full expected amount of the procurement • purchase orders were approved by staff with appropriate authority • internal approvals were obtained before goods and services were purchased
Segregation of duties	• appropriate segregation of duties across the procurement process
Variations	• any contract variation was appropriate • any contract variation was appropriately authorised
Record Management	• documentation was retained to support open, fair and transparent decisions, and show that processes have been followed

Scope Exclusion

Scope doesn't include below controls.

Supplier Masterfile, Invoice, Receipt of Goods or Services and Payments	• Supplier Masterfile was created and maintained with appropriate controls • any differences between invoice charges and quoted or contracted rates had been reviewed and appropriately justified • goods and services were received and approved by staff with appropriate authority • that there were strong controls around payment of suppliers and access to bank accounts

Use of third-party information

The use of third-party specialist reports was to leverage specialized expertise for informed recommendations.

Criteria

Criteria will consider SOA policies, directives, procedures and local government regulations. Procurement control matrix developed by DLGSC has been used to assess the procurement controls.

Significant dates

Step	Actual Date
Planning Memorandum	14th Dec 2023
Kickoff Meeting	15th Dec 2023

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Field Work (Walkthrough, Selecting Sample, Information Request and Analysis)	02nd January -15th February
Exit Meeting	19th February
Issue Draft Report to include Agreed Management Action Plan	19th February
Present Draft Report to ELT for additional comments/ actions	22nd February
Issue Final Report to Audit and Risk Management Committee	22nd February

Basis of review

Due to the inherent limitations in any internal control structure, it is possible errors or irregularities may occur and not be detected. Further, the internal control structure, within which the control procedures that have been reviewed operate, has not been reviewed in its entirety and therefore no opinion is expressed as to the effectiveness of the greater internal control structure. It should also be noted that the review was not designed to detect all weaknesses in control procedures as it was not performed continuously throughout the period subject to review.

In my professional judgment as Internal Auditor, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The conclusions were based on a comparison of the situations as they existed at the time against the audit criteria. The conclusions are only applicable for the processes examined. The evidence gathered meets professional audit standards and is sufficient to provide Audit and Risk Management Committee with proof of the conclusions derived from the internal audit.

The review conclusion, Findings (Page 8-13) and Assessment (Page 13-25), and any opinion expressed in this report have been formed on the above basis.

Diluka Weerasingha CPA, CIA

Internal Auditor

Shire of Ashburton

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Executive Summary

This report presents the findings of the Internal Audit over Procurement of the Shire for the period of 1st July 2021 to 30th November 2023 (referred to as the "engagement period").

The assessment of the adequacy and effectiveness of internal controls were conducted against the procurement control matrix developed by DLGSC. The assessment results are showing under annexure 1 to the report from page 13 to 25.

Significant findings are listed under finding sections as summarised in below table. Details of findings are showing from page 8 to 13.

The effectiveness of internal controls was evaluated for each finding based on the control's effectiveness matrix provided in the Shire adopted risk management framework showing on page 25.

S/N	Finding	Control Effectiveness
1	Inadequate procurement risk assessment	Adequate
2	Inadequate quotations	Adequate
3	No previous experience records maintained/ considered in evaluation	Adequate
4	Inadequate financial evaluation in RFT	Adequate
5	Frequent variations requests	Adequate
6	Untraceable RFT exemptions	Adequate
7	Inadequate refresher training	Adequate

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Findings

1	Inadequate procurement risk assessment	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding

PP 100 Request for Tenders and PP101 Request for Quotations forms are approved by CEO/ Delegate to obtain approval to initiate procurement process and to consider as the procurement plan. However, no tender risk assessment was observed for RFT >$250,000 category with high level procurements or RFQ <$250,000 category.

Implication

Tenders/ Quotations evaluation does not consider risks to select best quote considering supplier strengths/ weaknesses.

Recommendations

Tender risk assessment has to be conducted for procurements above a threshold and include in PP100 or PP101. The evaluation criteria and weights need to consider the tender risk assessment.

Management Comment		
Agree that there is a need to assess risk for the Tender and the Companies submitting.		
Agreed Actions	**Responsible Officer**	**Target Completion Date**
Produce a Tender Specific Risk Template	Senior Procurement Officer	December 2024
Audit log ref		**ELT meeting Date**	22 Feb 2024

2	Inadequate quotations	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding

It was noted required number of Quotations had not been obtained for the category of procurement <$100,000. This is based on attachments to requisition in Synergy.

Example: Synergy as of 30th November 2023.

Req No	Order No	Order Date	Name	Order Value $	Quotes in Synergy
15285	68359	11/08/2021	CASTLEDINE GREGORY	25,000	No Quotes
15286	68360	11/08/2021	CASTLEDINE GREGORY	25,000	No Quotes
18233	71307	14/02/2022	MARKET CREATIONS AGENCY PTY LTD	38,643	Only 1 Quote
18359	71521	01/03/2022	BEING IN THE SHADOW PTY LTD	100,000	Only 1 Supplier 2 Quotes

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2	Inadequate quotations				Control Effectiveness	
22409	75513	21/11/2022	PRICEWATERHOUSECOOPERS CONSULTING (AUSTRALIA) PTY LTD	88,000	Only 1 Quote	
21551	74652	27/09/2022	JEROME DAVENPORT	40,084	No Quotes	
24349	77501	20/04/2023	RADIO AND BROADCAST SERVICES (DICKSON FAMILY TRUST T/A)	90,145	1 Quote	
25790	78961	01/08/2023	3E ADVANTAGE PTY LTD	83,077	No Quote	

Implications

Procurement at inflated price/ fraud.

Recommendations

Procurement department needs to monitor procurements less than $100,000 to establish the adequacy of quotations.

Management Comment		
Procurement have identified this and conduct weekly Purchase Order checks for all values. If required the requesting officer is contacted for explanation.		
Agreed Actions	**Responsible Officer**	**Target Completion Date**
Continue weekly checks	Senior Procurement Officer	June 2024
Audit log ref		**ELT meeting Date**	22 Feb 2024

3	No previous experience records maintained/ considered in evaluation	Control Effectiveness
Finding, Implications and Recommendations		<mark>Adequate</mark>

Finding

This finding link to "Contract Management" internal audit report.
It was observed though experience of the contractor is considered for RFT evaluation, there is no formal record or scoring system maintained to consider previous performance with SOA by same contractor. It was noted from sample below contractors were evaluated for new RFTs and awarded but no evidence or record of previous performance maintained/ considered at evaluation.
E.g. RFT Awarded for same contractor

Contractor	2021	2022	2023
Emirge Pty Ltd	10.21	2.22	
AFGRI Equipment Australia Pty Ltd		21.22	19.23

Implications

3	No previous experience records maintained/ considered in evaluation	Control Effectiveness

Without such performance scores system, evaluation would not make reliable assessment on the performance based on internal information.

Recommendations

Procurement department, together with projects needs to develop performance score system and implement to capture performance. These scores should be considered for future evaluation of the same contractor.

Management Comment		

Procurement will investigate a scoring matrix. However this will be dependent on Project officers providing Project Management information that is currently not being adequately captured in the Shire.

Agreed Actions	Responsible Officer	Target Completion Date
Develop Scoring Matrix	Senior Procurement Officer	December 2024

Audit log ref		ELT meeting Date	22 Feb 2024

4	Inadequate financial evaluation in RFT	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding

It was observed though that financials are a submission requirement per RFT, the financials submitted by contractors are not either audited or supported with adequate explanations for unusual nature. Further no evaluation notes were observed for considerations on financial aspects. Further no acceptable external credit rating or document considered in supporting financial position of contractor when awarding high value contracts.

It was further observed in RFT 02.22 - Emirge Pty Ltd awarded $11,996,312.80 (ex-GST), that the provided financial statements are in draft nature with unusual performance. Draft accounts were certified by own accountant that shows GP% 7% in 2019 and 17% in 2020. This unusual change has not been explained and recorded at the evaluation to establish the acceptability of financials.

Implications

Financial losses due to dealing with insolvent/ low credit rated contractors.

Recommendations

Procurement needs to establish thresholds that requires submission of last audited financial statements or in absence of such needs to conduct an independent evaluation on financials to establish credit risk.

Management Comment		

Threshold amounts to be included into Purchasing and Procurement Policy, possibly in line with Compulsory Probity Auditor engagement (all purchases >$1 million in value). Compulsory engagement of financial audit amount to be authorised by ELT.

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4	Inadequate financial evaluation in RFT	Control Effectiveness	
Agreed Actions		**Responsible Officer**	**Target Completion Date**
Request Clarification from ELT and add Financial Audits to Policy		Senior Procurement Officer	December 2024
Audit log ref		**ELT meeting Date**	22 Feb 2024

5	Frequent variations requests	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding

It was noted 7 out of 28 (25%) contracts are with variations recorded. Further looking into variation requests show improvement opportunities at RFT Scope level.
E. g. RFT 02.22 - Emirge Pty Ltd awarded $11,996,312.80 excluding GST. Variation Request Form mentioned as "Extension of time for 5 working days" whereas Contractor mention as "supply and deliver additional 200mm crushed rock basecourse" as the reason together with required additional 5 days for the work.

Project ID	Notes
RFT 23.21	Post Fully executed contract variation on record
RFT 02.22	Post Fully executed contract variation on record
RFT 09.22	Post Fully executed contract variation on record
RFT 01.23	Post Fully executed contract variation on record
RFT 12.23	Post Fully executed contract variation on record
RFT 15.23	contract still ongoing
RFQ 02.22	Record not received
RFQ 17.22	Post Fully executed contract variation on record
RFQ 23.22	contract still ongoing
RFQ 05.23	Post Fully executed contract variation on record
RFQ 07.23	contract still ongoing
RFQ 14.23	contract still ongoing

Implications

Pressure on budgets and inability to complete projects as planned.

Recommendation

Procurement department needs to provide training of recording positive/ negative variance and projects need to consider variance records in strengthening experience of proper scoping. E.g To include safety requirements in projects scope.

Management Comment

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5	Frequent variations requests		Control Effectiveness	
Contract management Training to be implemented with an emphasis on Variations and their importance. Unsure with the current financial modules the Shire have to how Procurement will be able to accurately identify Variations.				
Agreed Actions	**Responsible Officer**		**Target Completion Date**	
Increased Training	Senior Procurement Officer		August 2024	
Audit log ref			**ELT meeting Date**	01 Feb 2024

6	Untraceable RFT exemptions	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding

RFQ 03.21 has been exempted from RFT process using PP099 - Exemption Form without date and only signed by an RO based on the documents provided to internal audit. The value shows on the PP099 for is $272,127. Per the PO dated 30 June 2021 for $52,000 showing "Premium Connector-File Shares" for new record management system. How ever it was observed that this system had not been successfully implemented and used.

Further no RFQ evaluation procedure was observed for RFQ 03.21 based on documents provided to internal audit.

Further it was informed that this procurement was disputed, and SOA paid $99,000 as closure PO 76146 dated 16 January 2023.
Due to the nature of RFT exemption, Internal audit requested all exemptions to RFTS from procurement department. It was informed that exemptions are not informed or recorded with procurement department, hence not traceable from one source record. Internal audit did not observe exempted RFT (PP099) with disputes in the sample of RFQ audited except RFQ 03.21.

Implications

Untraceable RFT exemptions will lead procurement department not being able to establish acceptability of exemptions and following RFQ procedure.

Recommendation

Procurement department should implement exemptions tracing method and make sure all exemptions are following RFQ procedure.

Management Comment
This Request for Quotation was one of the reasons a Procurement Officer is to be responsible for the procurement process of all purchases >$100,000 in contract value. Unsure with the current financial modules the Shire have to how Procurement will be able to accurately trace exemptions. Procurement can only increase training in this area.

Agreed Actions	**Responsible Officer**	**Target Completion Date**

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6	Untraceable RFT exemptions		Control Effectiveness	
Increased training		Senior Procurement Officer	August 2024	
Audit log ref		**ELT meeting Date**	22 Feb 2024	

7	Inadequate refresher training	Control Effectiveness
Finding, Implications and Recommendations		Adequate

Finding
There was a record maintained for procurement training, however there was no refresher training observed with specific regularity. Refresher training was observed with 1 year to 4 years frequencies, based on training records provided.

Implications
Noncompliance to procurement procedures

Recommendation
Procurement department should establish appropriate refresher training annually/ whenever significant change occur.

| **Management Comment**		
Procurement to rectify this and have annual training implemented, including this in their procedures. Additional staff may need to be engaged to enable this to be realistically achieved.		
Agreed Actions	**Responsible Officer**	**Target Completion Date**
Annual refresher training	Senior Procurement Officer	February 2025
Audit log ref	**ELT meeting Date**	22 Feb 2024

Annexure 1-Assesment of control activities against DLGSC procurement controls matrix

Control assessment was carried out per the Procurement control assessment tool recommended by WALGA. This tool has been developed in par with regulatory requirements and better practices. Three sections were identified from the tool relevant as follows:

1.0 Policy Framework;
2.0 Internal Controls and Procedures
3.0 Recruitment, Induction and Training

1.0 Policy Framework

A robust Policy Framework is the foundation for good governance in procurement activity. It links legislation and operational activity and prescribes the applicable integrity and accountability measures.

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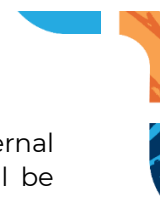
The Policies are an outward statement to community and suppliers and an internal statement for Councillors and employees for how procurement activity will be undertaken by the Local Government.

This section of the Self Audit examines the Purchasing Policy mandated by the *Local Government (Functions and General) Regulations 1996* as well as policies for the control of Credit / Purchasing Card activities and a Statement of Business Ethics. Local Governments may have other policies which influence procurement activity and it is recommended that these policies are also included in your Audit to ensure they align with principles for managing risk of fraud and misconduct

Section 1 – Policy Framework	YES	NO	Comment by Process Owner
Purchasing Policy *Functions and General Regulation 11A requires Local Governments to adopt and implement a purchasing policy.*			
Does the Purchasing Policy comply with the requirements of Regulation 11A of the *Local Government (Functions and General) Regulations 1996*?	YES		
Has the Purchasing Policy been reviewed within the last 4-years (i.e. did the review consider identified risks and audit outcomes)? [FM r.5(1)(e)]	YES		
Does the Purchasing Policy contain principles for the oversight and prevention of fraud or misconduct in procurement, purchasing and payment functions?		No	Now Identified – to be included in review
Does the Purchasing Policy detail the Local Government's commitment to ethical behaviours and integrity in procurement activities?	YES		Purchasing and Procurement Policy - 2. Ethics and integrity
Does the Purchasing Policy reference the Local Government's "Statement of Business Ethics" and its application to the Local Government and its contractors and suppliers when undertaking procurement activities?		No	Now Identified – to be included in review and Statement of Business Ethics to be developed.

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Section 1 – Policy Framework	YES	NO	Comment by Process Owner
Does the Purchasing Policy describe consequences for non-compliance with the Policy?	YES		Purchasing and Procurement Policy – 8. Policy non-compliance
Credit / Purchasing Card Policy *Regulatory reports and the Department of Local Government Operational Guideline No.11 recommend the adoption of a policy that sets the governance principles for purchasing by use of* *Credit and Purchasing Cards. This policy should extend to all Transaction Cards including fuel cards, store card and any card facility which takes the place of a cash transaction.*			
Does the Local Government have a Credit / Purchasing Card Policy? [FM r.5(1)(e)]	YES		Corporate Transaction Cards Policy
Has the Credit / Purchasing Card Policy been reviewed within the last 4-years (i.e. did the review consider risks and audit outcomes)? [FM r.5(2)(c)]	YES		14/03/2023
Does the Credit / Purchasing Card Policy describe acquittal obligations for Card Holders?	YES		
Does the Credit / Purchasing Card Policy describe consequences for misuse or non-compliance with the Policy?	YES		
Does the Credit / Purchasing Card Policy include a requirement for acquitted transaction statements to be included in the Monthly Financial Reporting to Council? [FM r.13]	YES		
Statement of Business Ethics *The 2013 CCC Report into IT procurement practices, recommended that the Department of Local Government and Communities formulate a "Statement of Business Ethics" and "Guide for Local Government IT Procurement". The DLGC advises that this work has not yet commenced. Local Governments are however able to adopt policy to meet their needs and address the gap.*			

Section 1 – Policy Framework	YES	NO	Comment by Process Owner
Does the Local Government have a "Statement of Business Ethics", to which its contractors and suppliers are required to adhere? [FM r.5(1)(e)]		No	Now Identified –Statement of Business Ethics to be developed.
Does the "Statement of Business Ethics" include principles for the performance of the Local Government when dealing with contractors and suppliers?		No	Now Identified – to be included in review and Statement of Business Ethics to be developed.
Does the "Statement of Business Ethics" include principles for the performance of contractors and suppliers when dealing with the Local Government?		No	Now Identified – to be included in review and Statement of Business Ethics to be developed.
Do the Local Government's contracts require contractors and suppliers to be open for potential audits of compliance with the "Statement of Business Ethics"?		No	Now Identified – to be included in review and Statement of Business Ethics to be developed.
Does the Auditor review the Local Government's and Supplier compliance with the principles of the "Statement of Business Ethics"?			Not applicable
Have contractors and / or suppliers been audited for compliance with the "Statement of Business Ethics" within the past 2-years?			Not applicable
Has the "Statement of Business Ethics" been reviewed within the past 4- years? [FM r.5(2)(c)]			Not applicable

2.0 Internal Controls and Procedures

The Local Government's financial management internal controls and operational procedures are also a vital part of a good governance framework for prevention of fraud and misconduct in procurement.

The Local Government's internal controls, including its integrity and accountability measures will be implemented via operational procedures, which specify the

sequence of activity, steps, tasks or actions required by employees when doing their work in order to comply with legislation and policy requirements.

Procedures will also explain the process for managing policy or procedure breaches and how potential fraud or misconduct will be investigated and reported. Documenting breach procedures operate as a visible deterrent and supports the CEO in meeting their obligations for reporting misconduct under the *Public Sector Management Act 1994* and the *Corruption, Crime and Misconduct Act 2003*.

Section 2 – Internal Controls and Procedures	YES	NO	Comment by Process Owner
Misconduct & Fraud Prevention			
Has the Local Government undertaken a misconduct and fraud risk assessment of its procurement activities within the past 2-years?		No	
Were the findings of the procurement misconduct and fraud risk assessment reported to the Local Government's Audit Committee? [Audit r.17(3)]		NO	
Were the findings of the procurement misconduct and fraud risk assessment used to inform the Audit Scope of internal and / or external audits? [Audit r.7(b)]		NO	
Were the findings of the procurement misconduct and fraud risk assessment used to assess the appropriateness of the Local Government's purchasing and payment policies and procedures?		NO	
Are reports prepared that detail procurement / purchasing activity level of compliance / non-compliance with legislation, policy and procedures, and are the reports provided to the CEO / Executive for review?		NO	

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Section 2 – Internal Controls and Procedures	YES	NO	Comment by Process Owner
Has the CEO, within the past 2-years, reviewed the appropriateness and effectiveness of systems and procedures for; risk management, internal controls and legislative compliance? [Audit r.17(1) & (2)]	YES		
Were the findings of the CEO's review reported to the Local Government's Audit Committee? [Audit r.17(3)]	YES		
Do procedures require employees to disclose and record whether or not they have any actual or perceived conflicts of interest prior to participating in a purchasing, quotation or tender process?	YES		Procurement require all evaluation panel members to declare any conflict of interest and these are recorded.
Does the Local Government regularly review the Gift Register to identify patterns and risk profiles for employees who have responsibilities in purchasing or contract management processes?	YES		

Incurring Liabilities

Section 6.5 of the Local Government Act and Financial Management Regulation 5(1)(e) prescribe the CEO's duty to establish systems and procedures that ensure proper authorisation and records for incurring liabilities. Regulation 5(2) requires the CEO to review the effectiveness of financial management systems and procedures at least once every four years. Regulation 11 requires the Local Government *to develop procedures for the approval of accounts for payment.*

These requirements form an integrated system as the approval of an account for payment will rely on evidence that the expense was properly incurred in accordance with legislation and the Local Government's policy and procedures.

Has the CEO documented procedures that control the process and authorise employees to incur liabilities? [FM r.5(1)(e)] *For example: procedures which support compliance with legislation and purchasing policy prior to a*		No	Procurement procedure yet to be approved.

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Section 2 – Internal Controls and Procedures	YES	NO	Comment by Process Owner
requisition or purchase order being issued			
Do procedures detail the employees or position titles which are authorised to incur liabilities, including limits and conditions specific to individual or classes of employees? [FM r.5(1)(e)] *For example: the classes or position titles of employees who are able to issue requisitions or purchase orders up to* *specified $values.*	YES		Directive FIN22 – Authority to Purchase or Procure
Have procedures for incurring liabilities been reviewed within the past 4-years and did the review consider risks and previous audit outcomes? [FM r.5(2)(c)]	YES		2023
Does the Local Government's financial management software prevent a purchase order being issued, where compliance with the Purchasing Policy has not been evidenced?		NO	
Do the procedures require purchase order values to be checked for consistency with an accepted; tender, schedule of rates or quotations, as appropriate?		NO	

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Section 2 – Internal Controls and Procedures	YES	NO	Comment by Process Owner
Does the Local Government routinely undertake sample audits of purchase orders to monitor the level of compliance with Purchasing Policy and procedures?	YES		Procurement do weekly Purchase order checks for compliance.
Do procedures detail employee obligations for maintaining confidentiality of quotation and tender submissions? *For example: one supplier's information / submission is not to be distributed / provided to another supplier)*?		NO	Now Identified – to be included in review
Do the procedures specify requirements for evaluating specifications prior to seeking, quotations, RFQs and Tenders to ensure the scope is sufficient and to minimise risks of scope creep and cost escalations? *For example: contracts most at risk may include - consultancies, management service providers, design and construct contracts.*		NO	Now Identified – to be included in review
Has the CEO documented procedures to control the use of Credit / Purchasing Cards, including Fuel Card and any other card facility which replaces cash transactions? [FM r.5(1)(e)]		NO	
Do the procedures for Credit / Purchasing Cards include expense limitations and conditions for incurring expenses and acquittal of statements?		NO	

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Section 2 – **Internal Controls and Procedures**	**YES**	**NO**	**Comment by Process Owner**	
Have the Credit / Purchasing Card procedures been reviewed within the past 4-years and did the review consider risks and audit outcomes? [FM r.5(2)(c)]		NO		
Do the Credit / Purchasing Card procedures describe how compliance with policy and procedure will be monitored and how non-compliance will be investigated and disciplinary consequences applied where appropriate?		NO		
Separation of Roles				
The CEO has a duty to review the appropriate and effectiveness of Internal Controls that contribute to minimising the risk of fraud and misconduct in accordance with Audit Regulation 17.				
Has the CEO documented procedures that ensure the separation of purchasing duties? For example; an employee cannot be responsible for more than one of the following activities: • Initiating and approving purchases • Receiving goods • Approving invoices for payment • Review and reconciliation of transactions • Inventory		Yes/ No	Requisition and Receipt of goods are done by requesting person. PO approval and Supplier Invoice approval is done by RO. Payment approval is done by finance department.	

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Section 2 – **Internal Controls and Procedures**	**YES**	**NO**	**Comment by Process Owner**
Has the CEO ensured that an employee who is responsible for the day-to-day accounting or financial management operations of the Local Government, is not also responsible for conducting internal audits or for supervising the person responsible for internal audits or for reviewing the outcome of internal audits? [Audit r.6]	YES		Separate Internal Auditor
Expressions of Interest (EOI) and Tenders			
Has the CEO documented procedures for undertaking expressions of interest <u>and</u> tenders? [FM r.5(1)(e)]	YES		Purchasing and Procurement Policy
Have the EOI and tender procedures been reviewed within the past 4-years and did the review consider risks and previous audit outcomes? [FM r.5(2)(c)]	YES		2022
Do the procedures require the use of standardised templates used for requests for quotes, EOIs and tenders, specifications, reports and contracts, to ensure consistent decision making by Council or under delegated authority?		NO	Now Identified – to be included in review even though used.
Prior to going to market, are EOI and Tender specifications reviewed by the subject matter expert and the evaluation team, using a risk assessment to ensure that specifications are accurate, sufficiently scoped and fit for the purposes of the procurement?		NO	Procurement Risk Assessment is not conducted.

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Section 2 – Internal Controls and Procedures	YES	NO	Comment by Process Owner
Do the EOI / Tender procedures require an independent probity advisor to be engaged to oversee high risk / high value EOI / Tender activities?		NO	Now Identified – to be included in review even though we do use an independent Probity auditor for all purchases over $1mil contract value.
Do the procedures implement standardised processes for EOI and Tender evaluations, which take account of selection criteria and also the risk profile of the supply?		NO	
Do the EOI / Tender evaluation procedures require a minimum of two employees for a low value supply and three employees for a high value supply, to independently evaluate EOI / Tender submissions, before meeting to determine a consensus assessment?		NO	To be amended in draft procedure
Do the EOI / Tender procedures specify record keeping requirements sufficient to evidence the evaluation process and outcomes and the rationale for the recommendation?	YES		Policy contains Record Management
Do the procedures require checks of company registration, ABN (if applicable), financial sustainability information and referee checks for each prospective supplier as part of the assessment process?		NO	Only for high level procurement (>$100,000)- Added to procedure for all purchases
Has Council adopted a policy and delegated authority to the CEO, which defines the limits and conditions for determining minor variations in the goods or services required before a contract is formed? [F&G r.20]	YES		Delegation 01.01.14 for Tenders

3.0 Recruitment, Induction and Training

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A Local Government's approach to employee recruitment, induction and training is another component of a good governance framework.

Recruitment practices for positions which have purchasing responsibilities should be designed to attract individuals who are not only technically experienced in procurement / purchasing, but who also understand integrity requirements and do not present misconduct risks. Recruitment advertising, position descriptions and interview practices for purchasing and procurement positions, should ensure potential employees understand the requirements of the role, the compliance obligations and the integrity and probity obligations.

Induction and training practices ensure effective implementation of policy, internal controls and procedures. Participation in induction and training ensures employees are aware and accountable for compliance with legislation and the Local Government's policy and procedures.

Employees who are well trained will more easily identify and avoid breaches. It is therefore also important for Training to address the process for reporting breaches and potential fraud and misconduct, as this too is a mitigation strategy for reducing risks.

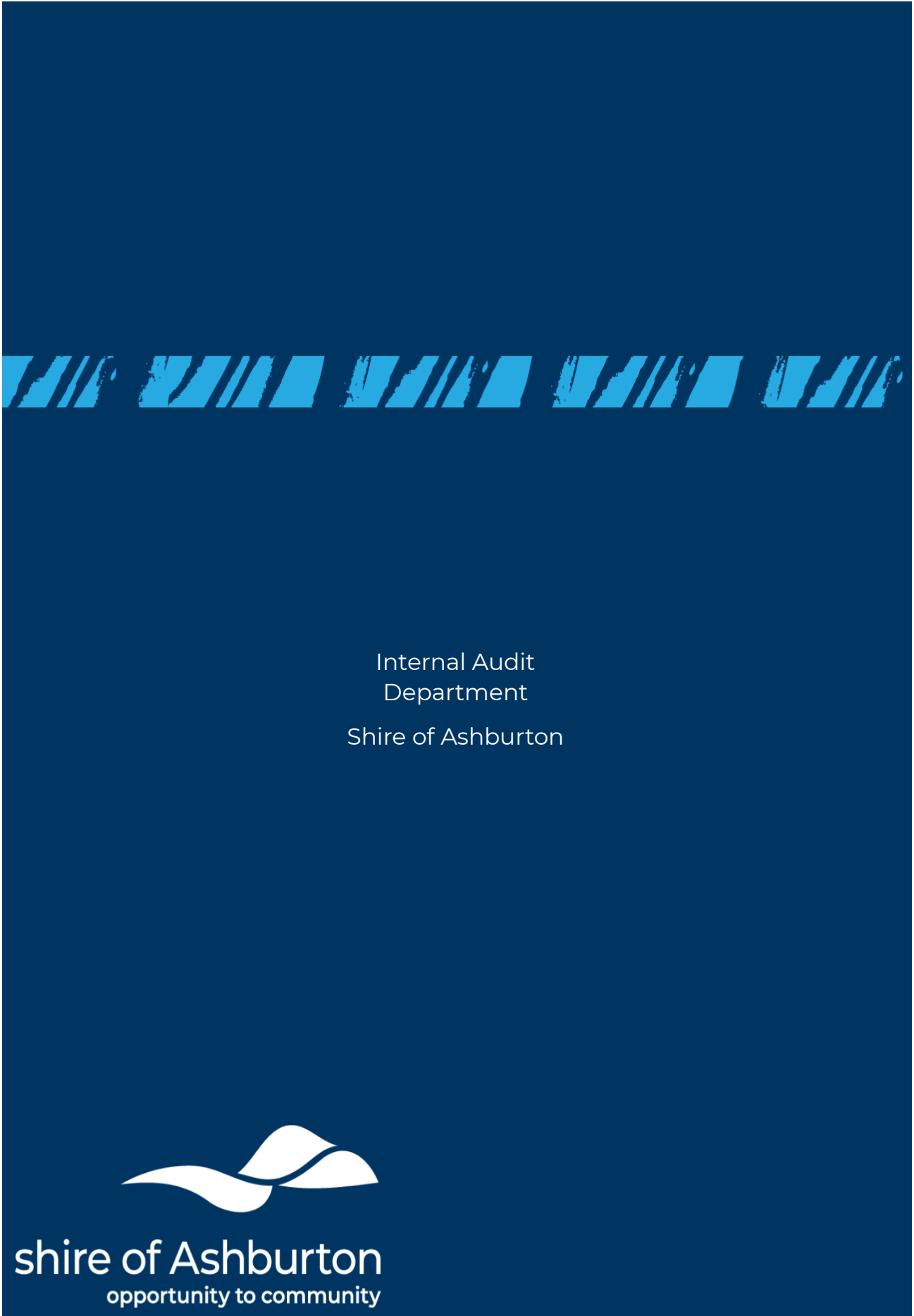| Section 3 – Recruitment, Induction and Training	YES	NO	Comment by Process Owner
Do position descriptions for roles with procurement or payment responsibilities, include requirements for compliance with legislation, the Code of Conduct, ethical standards and the Local Government's policies and procedures?	Yes		
When interviewing employees for roles with procurement or payment responsibilities, are candidates questioned on ethical work practices and integrity scenarios?	Yes		
Are employees with procurement or payment responsibilities provided with induction and regular refresher training on the Code of Conduct, ethical work practices and policies and procedures relevant to purchasing and payment functions?		NO	Refresher training to be regularise per required/ better intervals

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Section 3 – Recruitment, Induction and Training	YES	NO	Comment by Process Owner
Does the induction and regular refresher training, provide specific training for managing conflicts of interest, gifts, travel contributions and disclosure obligations?	Yes		Various shire wide training addresses this.
Does the induction and regular refresher training, provide guidance on recognising and reporting misconduct and fraud?		NO	This will be adjusted to include information on where to best report misconduct and fraud.
Does the induction and regular refresher training, address requirements for impartial and unbiased fulfilment of responsibilities and decision making?	Yes		
Are records retained of participation in induction and refresher training? *Note: these records support the Local Government in managing employee accountability.*	Yes		Procurement keep declaration of training and follow to OD, unsure to OD records.
Do procedures describe the different requirements for managing and reporting an employee who has committed a minor breach or a serious breach of legislation, policy or procedures?	Yes		Purchasing and procurement policy
Are temporary and short term contract personnel restricted as to the extent of their financial authority so as to minimise the Local Government's exposure to misconduct and fraud risks?	Yes		At termination all staff have their access removed

Annexure 2-Control Effectiveness Ratings Criteria (SOA Risk Management Framework)

Rating	Foreseeable	Description
Effective	There is little scope for improvement	Processes (Controls) operating as intended and / or aligned to Policies & Procedures; are subject to ongoing maintenance and monitoring and are being continuously reviewed and tested
Adequate	There is some scope for improvement	Whilst some inadequacies have been identified; Processes (Controls) are in place, are being addressed / complied with and are subject to periodic review and testing.
Inadequate	A need for corrective and / or improvement actions exist.	Processes (Controls) not operating as intended, do not exist, or are not being addressed / complied with, or have not been reviewed or tested for some time.

Internal Audit
Department

Shire of Ashburton

shire of Ashburton
opportunity to community

Agenda Item 6.3 - Attachment 1

Council Policy - Risk Management (proposed)

Council Policy – Risk Management

Responsible Directorate	Office of the CEO
Responsible Business Unit/s	Office of the CEO
Responsible Officer	Chief Executive Officer
Affected Business Unit/s	All

General

1. The Shire of Ashburton (the Shire) recognises that risk management is fundamental to the organisation achieving its strategic and operational objectives, and that it plays an integral role in day-to-day management and decision making at all levels.

2. Risk management is viewed as central to the Shire's management process, having relevance and linkage to budget planning, provision of services to the community, corporate planning, performance, quality, safety, and community strategic planning.

3. To enable the Executive Leadership Team (and to a lesser extent Council) to decide on the nature and extent of the risks it is prepared to take to meet its strategic objectives, the organisation must have an appropriate Risk Management Framework to identify and manage risk on an ongoing basis. This policy details the Shire's requirements in relation to the management of risks.

4. Everyone has a role to play in the management of risk within the Shire, whether as a Risk Owner, a Control Owner, right down to the need for every employee to follow procedures and processes without deviation.

5. The Shire is committed to the effective management of risks and ensuring that sufficient resources are available to achieve this. Those allocated responsibility for managing risks or being accountable for critical controls must ensure appropriate monitoring and reporting occurs through the Shire's existing management reporting and governance framework.

6. The effective management of risks plays an important role in shaping the Shire's strategic direction and contributes to evidence-based decision-making and the successful delivery of the Shire's objectives.

Objective

7. The purpose of this policy is to provide information and guidance regarding the management of risk to support the achievement of Shire's strategic and operational objectives, protect staff and assets, and ensure financial sustainability.

8. This policy provides the over-arching guidance and is supported by Risk Management Procedures. These documents together form the Shire's Risk Management Framework.

9. The Risk Management Framework is aligned with AS/NZS ISO 31000 2018.

Scope

10. This policy applies to all staff, volunteers, contractors, and visitors whilst they are on Shire property or engaged in business that involves the Shire.

Why Risk Management is Important to Shire

11. It is not possible to eliminate all risk, however organisations that actively identify and manage risks are more likely to be better prepared to respond quickly to take advantage of an opportunity or to re-focus effort when things go wrong.

12. Accordingly, risk management within the Shire is about creating an environment where surprises are minimised. When our management of risk goes well it often remains unnoticed. When it fails, the consequences can be significant and high profile.

13. From a Shire perspective, effective risk management can:

    a. Protect the Shire from a range of strategic threats (strategic risks);

    b. Prevent loss of life/injury;

    c. Prevent damage to the Shire's reputation;

    d. Protect assets and resources;

    e. Allow us to deliver services and outcomes to the community that meet their expectations;

    f. Minimise legal liability;

    g. Prevent disruption to Shire operations;

    h. Prevent financial loss, including through theft and fraud; and

    i. Ensure projects are delivered on time, within budget and to the required level of quality.

14. Risk management will improve the Shire's performance by identifying and then mitigating events/incidents that would hinder the achievement of its objectives. The management and communication of risks needs to be an integral part of existing processes and procedures to realise maximum benefit.

15. The key benefit of the application of a robust Risk Management Framework, however, is to provide decision makers with the information necessary to make **risk informed decisions**.

Management Commitment

16. The Executive Leadership Team is fully committed to the maintenance of an effective Risk Management Framework. In implementing this policy, Council and the Executive Leadership Team are committed to ensuring:

   a. That risk management is an integral part of Shire planning and decision-making processes;

   b. There is a consistent approach to the management of risks across the Shire;

   c. Clear roles, responsibilities and accountabilities are defined;

   d. All staff with risk management roles and responsibilities are provided with the necessary authority to undertake these responsibilities;

   e. All staff with risk management roles and responsibilities are provided with the necessary skills to undertake these responsibilities;

   f. The resources necessary to achieve the policy outcomes are allocated;

   g. Communication within the Shire's stakeholder community in relation to the identification and management of risk is promoted and encouraged; and

   h. We are honest with ourselves and with others in relation to the risk exposures and challenges faced by the Shire.

17. We also accept that, on occasions, even with sound risk management practices, things may go wrong. On such occasions, we will take the opportunity to review the reasons for the failure and endeavour to further strengthen controls to reduce the likelihood of a reoccurrence.

18. In making this commitment, Ashburton will be well placed to meet our vision and will ensure the credibility and reputation of the organisation within our stakeholder community is of the highest order.

Approach
Heading 3

19.   The approach taken by the Shire is to centralise the management of strategic and enterprise (operational) risks in order to ensure they are managed holistically, that there are no control gaps, and that duplication is significantly reduced.

20.   There will be three distinct areas of focus for the Risk Management Framework within the Shire, as shown in the diagram below:
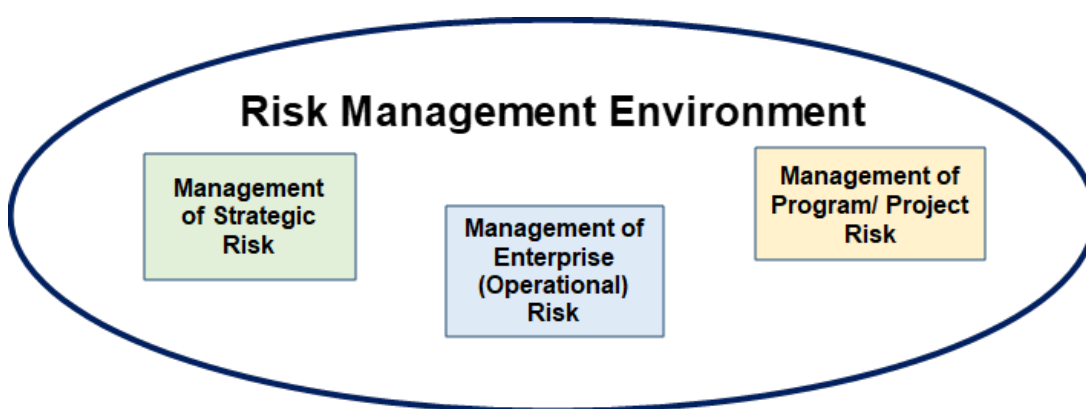

Figure 1: Areas of focus for Shire's Risk Management Framework

21.   This policy covers all these areas of focus.

22.   The development and implementation of the Risk Management Framework will contribute significantly to the effective governance within Shire. The visibility of risks will provide the Executive Leadership Team with a detailed understanding of the Shire's risk profile and will assist greatly in decision making.

23.   Taking a proactive approach to risk management will enable the Shire to improve services to the community, improve identification of opportunities as well as threats and vulnerabilities, and improve its organisational resilience, operational effectiveness, and efficiency.

24.   The effective implementation and ongoing maintenance of the Risk Management Framework, therefore, requires commitment and leadership from all levels of management within the Shire.

Strategic Risk

25. Strategic Risks are defined in the context of the Shire as risks where the causes/contributing factors are outside the control of the Shire but, if they were to occur, they may be serious enough to require a revision of the Shire's Strategic Community Plan. These are the external threats to the Shire, as identified in the SWOT Analysis.

Enterprise (Operational) Risk

26. Enterprise (Operational) Risks are those where the causes are either inside or outside the Shire's control, but, if they occur, they will impact on the achievement of the current the Shire's Strategic Community Plan.

27. The most important point to note is that there is no such thing as a safety risk, reputation risk, or a financial risk etc. there are just risks. These risks, if they materialise, will have multiple consequences, so categorising them as either one type of risk or another significantly detracts from the ability to manage them holistically.

28. To that end, there will be no separate risk management plans or registers for different "categories" of operational risk (e.g. safety, fraud, IT etc). All enterprise risks will be managed centrally in **one** register.

Project Risk

29. The management of risk in projects requires a unique approach given the significant difference in context. The assessment of project risk requires consideration of schedule, cost, and performance within the context of the project so utilising the corporate risk context (e.g. Consequence Matrix) is not appropriate.

30. There will, however, be inputs to the management of Enterprise Risks from projects.

Goal and Sub-goals

Goal

31. The goal of the Risk Management Framework within the Shire is:

To ensure that the risks facing the Shire of Ashburton are appropriately managed in order to: protect the interests of the organisation and its many stakeholders; assist in the decision-making process; and minimise disruption to critical business functions.

Sub-goals

32.   The goal is further divided to sub-goals:

a.   To ensure that the Shire is, where possible, protected and/or prepared from threats arising from the strategic environment.

b.   To maintain a working environment for all employees, contractors and visitors that minimises the risks to their health and safety.

c.   To meet all compliance obligations applicable to the Shire.

d.   To prevent fraud where possible, detect fraud as early as practicable and when discovered, demonstrate a zero tolerance to fraudulent behaviour through appropriate response.

e.   To protect the information, systems, and assets that support the operations of the Shire.

f.   To ensure organisational resilience through the maintenance of critical business functions during and after disruption related events.

g.   To ensure that all information provided to critical stakeholders is accurate, complete, and provided in a timely manner.

h.   To ensure that Shire operations do not adversely affect the environment.

i.   To ensure all Projects delivered by the Shire are safe and fit for their intended purpose.

Policy Statement

Policy Statements

33.   The following policy statements are to be adhered to by all Shire staff with roles and responsibilities in the Shire's Risk Management Framework:

a.   Risk is to be considered in any planning process undertaken within the Shire.

b.   The criteria to be used for risk assessments are those detailed in the applicable Shire Risk Management Procedure. These procedures supersede any risk plans that have been developed previously.

c.   Accountability for activities within the Shire's Risk Management Framework will be allocated to those with the levels of authority necessary for decision making.

d.   All Shire risks are to be recorded and updated within the Shire's centralised risk registers (Enterprise Risk Register and Strategic Risk Register).

e.   All staff with roles and responsibilities within the Risk Management Framework are to receive appropriate training.

f.   Those allocated responsibility for managing risks or being accountable for critical controls are to establish and maintain appropriate monitoring and reporting mechanisms.

g.   Risks are to be reported to the Audit and Risk Management Committee and Council quarterly in accordance with the templates within the applicable Risk Management Procedure.

h.   Adjustments to the Strategic Risk Register, including addition of risks, removal of risks, and/or changes to risk level are to be endorsed by the Audit and Risk Management Committee prior to being submitted to Council for approval.

i.   Adjustments to the Enterprise Risk Register, including addition of risks, removal of risks, and/or changes to risk level are to be endorsed by the Executive Leadership Team prior to being submitted for approval by the Chief Executive Officer.

34.   By implementing these policy statements, the Shire will have a much greater chance of achieving the objectives captured in the Strategic Community Plan.

Areas of Focus

35.   As this policy covers all aspects of risk management within the Shire, the following paragraphs highlight specific areas of focus for the Risk Management Framework.

Safety

36.   Safety has, and always will be, the number one priority for the Shire. Reducing workplace incidents within the Shire and incidents that may impact the safety of the community **must** be front of mind in the planning and conduct of all Shire activities and services.

37.   It is critical, therefore, that safety is not only considered during each activity, but that ensuring conformance to procedures and processes is part of the Shire's assurance program.

Fraud

38.   The Shire will make every effort to implement systems, procedures, and processes that prevent fraudulent and/or corrupt behaviour to the extent possible. Noting, however, that not all fraud and/or corruption can be prevented, the Shire will place a significant emphasis on detecting any instances of fraudulent/corrupt behaviour.

39.   If/when fraud is identified/suspected, the Shire will thoroughly investigate and, if it is determined that fraudulent and/or corrupt behaviour has occurred, the Shire will take the appropriate actions to highlight the Shire's zero tolerance for such behaviours.

Information and Physical Security

40.   The security of the Shire's information and physical assets is critical. Any unauthorised use of and/or loss of the Shire's information resources could have a significant impact on the Shire's reputation.

41.   Any loss and/or theft of the Shire's physical assets could have a significant financial impact and may impact operations.

Compliance

42.   Like all organisations, the Shire is required to comply with a significant amount of legislation, codes of practice, regulations, and policies. Any non-compliance with these requirements can have a significant impact and may lead to fines against the Shire and/or prosecutions against individuals.

43.   It is critical, therefore, that the Shire maintains a significant focus on maintaining compliance through the management of risks that could lead to adverse compliance outcomes.

Disruption Related Risks (Business Continuity)

44.   There are critical business functions within the Shire that, if they were to be disrupted, would have a significant impact on the reputation of the Shire and, in some cases, may impact on the health and safety of staff and the community. It is critical, therefore, that advanced plans of action are developed to restore any service disruption as soon as possible.

Environment

45.   The climate and environment are changing and, as such, the Shire needs to adapt. A significant area of focus for the Shire, therefore, is ensuring that the Shire is prepared for any of the ensuing results of the changing climate.

46.   In addition, it is critical that the Shire safeguards the environment from the actions of 3rd parties, as well as ensuring that Shire operations do not damage the environmental, cultural, heritage and/or Indigenous values within the local government district.

Project/Procurement Risks

47.   The Shire spends a significant portion of its budget on projects and procurement activities. These projects are often the source of significant risk which, if not managed, can result in additional expenditure, time delays and/or projects being delivered that are not fit for purpose.

Audits

48.   All records will be subject to ongoing assurance and audits. All records belong to the Shire. In most cases, these will be admissible as evidence and are subject to the relevant State and Federal laws.

49.   The Internal Auditor is responsible for the development of, and audit plan, overseeing conformance to this policy.

Roles and Responsibilities

50.   The following is a broad overview of the roles and responsibilities for the governance of the Risk Management Framework. Detailed roles and responsibilities relating to the management of risks are contained within the Shire's Risk Management Procedures.

Council	The Council is responsible for the management of the Shire's strategic risks.
Audit and Risk Management Committee	The Audit and Risk Management Committee is to: • Review the effectiveness of the Shire's Risk Management Framework • Monitor performance of the program against established Key Performance Indicators • Monitor the effectiveness of critical controls • Review/endorse any changes to strategic risk levels based on reports provided by the Director Corporate Services before forwarding to the Council. • Provide reports to the Council on audit findings and ensure any recommendations are implemented where agreed.
Chief Executive Officer	The Chief Executive Officer is ultimately accountable for the management of the risk exposures within Shire. Specifically, the CEO (with input from the Executive Leadership Team) is responsible for: • Defining the Shire's risk appetite • Establishing the Shire's risk criteria • Regularly monitoring risks as part of a standing item on the consideration of governance issues • Promoting a risk management culture within the Shire.

Definitions

Risk Management Framework consists of:

- Council Policy – Risk Management, Shire of Ashburton
- Risk Management Procedure – Strategic Risks
- Risk Management Procedure – Enterprise (Operational) Risks
- Risk Management Procedure – Project Risks
- Strategic Risk Register
- Enterprise Risk Register

Relevant policies/documents

Risk Management Procedure – Strategic Risks
Risk Management Procedure – Enterprise (Operational) Risks
Risk Management Procedure – Project Risks
Strategic Risk Register
Enterprise Risk Register

Relevant legislation/local laws

Nil

Office use only				
Relevant delegations	Nil			
Council adoption	**Date**		**Resolution #**	
Reviewed/modified	**Date**		**Resolution #**	
Next review due	**Date**		**Resolution #**	

Agenda Item 6.3 - Attachment 2

Council Policy - Risk Management (current)

Council Policy – Risk Management

Responsible Directorate	Corporate Services
Responsible Business Unit/s	Governance
Responsible Officer	Manager Governance
Affected Business Unit/s	All

Objective

The objective of this policy is to state the Shire of Ashburton's (the Shire) intention to identify potential risks before they occur so that opportunities can be realised and impacts can be minimised to ensure the Shire achieves its strategic and corporate objectives efficiently, effectively and within good corporate governance principles.

Scope

This policy applies to Council, the Executive Leadership Team and all employees and contractors involved in any Shire operations.

Policy Statement

It is the Shire's policy to strive to achieve the best practices it can, in the management of all risks that may affect the Shire meeting its objectives.

Risk management functions will be resourced to match the size and scale of the Shire's operations and will form part of the strategic, operational, and project responsibilities and be incorporated within the Shire's Risk Management Framework.

The following points provide detail on the objective specifics:

- Optimises the achievement of the Shire's values, strategies, goals and objectives.
- Aligns with and assists the implementation of Shire policies.
- Provides transparent and formal oversight of the risk and control environment enabling effective decision-making.
- Reflects risk versus return considerations within the Shire's risk appetite.
- Embeds appropriate and effective controls to mitigate risk.
- Achieves effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhances organisational resilience.
- Identifies and provides for the continuity of critical operations.

Roles and responsibilities

The Chief Executive Officer (CEO) is responsible for the:

- Implementation of this policy.
- Measurement and reporting on the performance of risk management.
- Review and improvement of this policy and the Shire's Risk Management Framework at least biennially, or in response to a material event or change in circumstances.

The Shire's Risk Management Framework outlines in detail all roles and responsibilities associated with managing risks within the Shire.

Risk assessment and acceptance criteria

The Shire has quantified its broad risk appetite through the Shire's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Framework.

All organisational risks are to be assessed according to the Shire's Risk Assessment and Acceptance 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.

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 the Executive Leadership Team and be formally reviewed triennially.

Definitions

Executive Leadership Team includes the CEO and all Directors of the Shire.

Risk means the effect of uncertainty on objectives.

Note 1:   An effect is a deviation from the expected – positive or negative.
Note 2:   Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, operational, project, product or process).

Risk management means coordinated activities to direct and control an organisation with regard to risk.

Risk management process means systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

Relevant policies/documents

Shire of Ashburton Risk Management Framework
Shire of Ashburton Risk Profile

Relevant legislation/local laws

Nil

Office use only				
Relevant delegations	Nil			
Council adoption	**Date**	13 December 2022	**Resolution #**	171/2022
Reviewed/modified	**Date**		**Resolution #**	
Next review due	**Date**	2024		