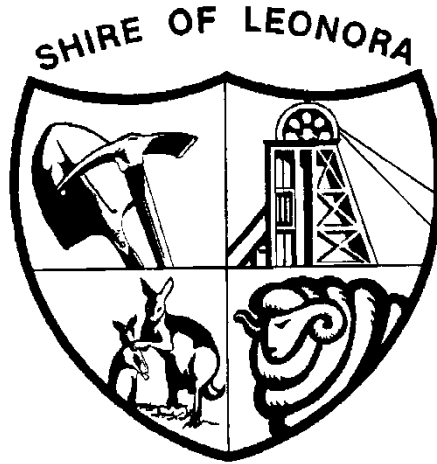


SHIRE OF LEONORA



AUDIT AND RISK COMMITTEE MEETING

HELD 16 DECEMBER 2014, AT THE CONCLUSION OF THE
ORDINARY MEETING OF COUNCIL, COMMENCING AT 2:29PM.

JG EPIS
CHIEF EXECUTIVE OFFICER

1.0 DECLARATION OF OPENING / ANNOUNCE OF VISITORS / FINANCIAL INTEREST DISCLOSURE

Chairman Cr PJ Craig declared the meeting open at 2:29pm.

Visitor: Paul Breman – Director/Partner – UHY Haines Norton.

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

2.1 Present	
President	PJ Craig
Deputy President	RA Norrie
Councillors	RM Cotterill
	MWV Taylor
	AE Taylor
	LR Petersen
	GW Baker
Chief Executive Officer	JG Epis
Deputy Chief Executive Officer	TM Browning
Manager Community Services	SG Butson
Visitor	P Breman (UHYHN)

2.2 Apologies
Nil

3.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

Moved Cr MWV Taylor, seconded CR RM Cotterill that the Minutes of the Ordinary Meeting held on 16th September,2014 be confirmed as a true and accurate record.

CARRIED (7 VOTES TO 0)

4.0 REPORTS OF OFFICERS

4.1 CHIEF EXECUTIVE OFFICER

Cr PJ Craig welcomed Mr Paul Breman, Director/Partner UHY Haines Norton to address Concil on Audit Reg.17, as well as some information on financial management, risk etc. Mr Breman addressed council, and provided a copy of the powerpoint presentation to be included in the minutes for the information of the committee.

Cr LR Petersen left the meeting at 3:25pm to attend personal business.

Cr LR Peterson returned to the meeting at 3:29pm.

Cr PJ Craig thanked Mr Breman for his informative presentation and invited Councillors to raise questions relating to the presentation. Some general discussion ensued.

4.0 REPORTS OF OFFICERS

4.2 DEPUTY CHIEF EXECUTIVE OFFICER

4.2.1 INTERNAL AUDIT FRAMEWORK UP DATE

SUBMISSION TO: Meeting of Audit Committee
Meeting Date: 16 December 2014

AGENDA REFERENCE: 4.2.1 December 2014

SUBJECT: Internal Audit Framework

LOCATION / ADDRESS: Nil

NAME OF APPLICANT: Nil

FILE REFERENCE: Nil

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: Tanya Browning

OFFICER: Deputy Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 10 December 2014

BACKGROUND

The Shire has been undertaking a review of its risk profile as part of the implementation of the Risk Management Framework.

For the Audit Committee to note:

- the progress made on the Risk Management Framework;
- the draft Strategic and Operational Risks;
- the proposed introduction of a Risk Services Program to guide the internal audit activity and function and other monitoring and reviewing activities that may need to be undertaken. This program would be subject to change and modification during the year on the authorisation of the Chief Executive Officer;
- The presentation of the reports to be presented for review.

The program would set out the internal audit activity for the year 2014-15 to be carried out by the Shire Internal Audit Function (which reports directly to the Chief Executive Officer for assigned activities). The internal audit activity would be established in consultation between the Chief Executive Officer, the Deputy Chief Executive Officer and Senior Officers to address areas that present risks to the Shire's operations.

DETAILS

The Shire has undertaken a review of its risk profile and established a draft set of Strategic and Operational Risks for the Audit Committee to consider. A number of operational and strategic risks have been identified. It is proposed that a Risk Services Program be established to encompass monitoring and reporting on activities as determined by the Chief Executive Officer on a monthly, quarterly and annual basis in accordance with the Framework established. This includes the management of the Strategic and Operational Risk Register's. Financial and operational analysis will be undertaken if required to inform risk management decision making and to provide confidence and integrity of data and/or information.

Internal audit activity focuses on areas of risk including financial and non-financial systems and compliance with legislation, regulations, policies and best practice. Where required, action plans will be developed and agreed with management for audit recommendations and follow-ups conducted to ensure that they are implemented as agreed. Criteria has been established to determine and report on the status of each recommendation and the overall status of each internal audit assignment. The status of internal audit recommendations will be reported to the Chief Executive Officer on a monthly basis and the Audit Committee quarterly. Action plans, if required, will be developed following the monitoring and reviewing

activities when improvements are identified

It is therefore recommended that the Audit Committee NOTES:

1. Draft Strategic Risks and Controls summary
2. Draft Operational Risks and Controls summary
3. Risk Executive Report

POLICY IMPLICATIONS

The Risk Management Policy outlines the Shire's commitment and approach to managing risks that may impact on its day-to-day operations and threaten the achievement of its objectives

FINANCIAL IMPLICATIONS

Allocation was made in the 2014/2015 annual budget for the internal audit and risk function

STRATEGIC IMPLICATIONS

The Chief Executive Officer should play a key role in the establishment and development of an effective risk management framework, as it ultimately sets the operational tone of the Council, and should reflect the ethics, integrity and values espoused by the Council.

An effective and transparent risk management environment would focus on the following key areas:

- Integrity and ethical values
- Management's philosophy and operating style
- Organisation structure
- Performance measures
- Policies and procedures
- Human resources policy
- Internal Audit function
- The Audit Committee.

The role of the audit committee is to govern the integrity of the entity's financial information, systems of internal control, and the legal and ethical conduct of management and employees. The key role of internal audit is to provide assistance to the Council's audit committee in discharging its governance responsibilities. It does this by:

- Providing an objective assessment of existing risks and the internal control framework
- Performing reviews of the compliance framework and specific compliance issues
- Conducting regular analysis of business processes and associated controls.
- Performing ad hoc reviews for specific areas of concern, including unacceptable levels of risk

Internal audit is an independent appraisal service, and audit activity is an important element of risk management and a contributor to the mitigation of risk.

Monitoring and reviewing activities will provide evidence of the appropriateness and effectiveness of systems and procedures in regard to risk management, internal control and legislative compliance, as required by the Local Government (Audit) Regulations 1996.

RECOMMENDATIONS

Moved Cr RA Norrie, seconded Cr MWV Taylor that Committee NOTES:

1. Draft Strategic Risks and Controls summary
2. Draft Operational Risks and Controls summary
3. Risk Executive Report

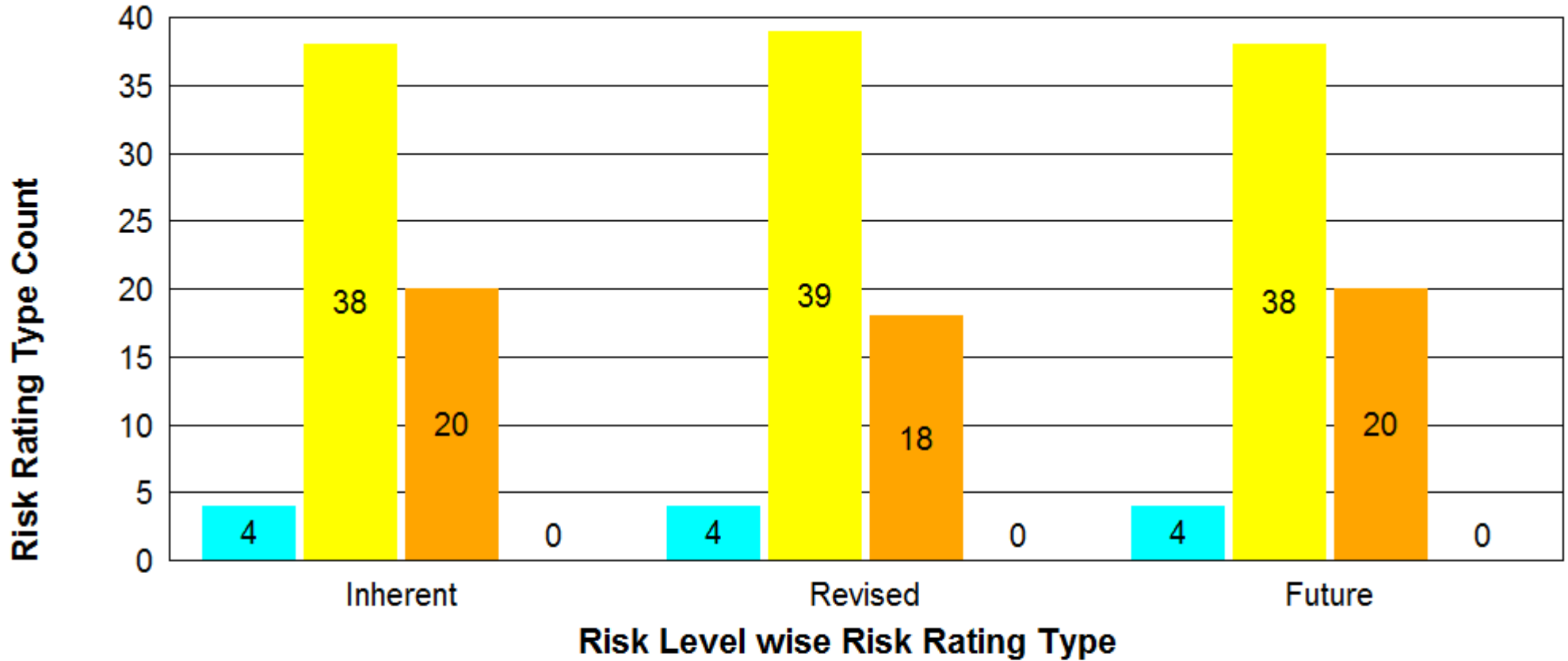
CARRIED (7 VOTES TO 0)



Shire of Leonora Risk Executive Report

Dec 2014

Organisational Risk Summary



Inherent

Likelihood / Consequence	Insignificant	Minor	Critical	Major	Catastrophic
Almost Certain	0	0	0	0	0
Likely	0	4	0	2	0
Possible	0	16	2	18	0
Unlikely	0	2	4	9	0
Rare	0	0	2	3	0



Revised

Matrix Ruler	Moderate	Low	High	Extreme
	39	4	18	0




Future



Matrix Ruler Moderate Low High Extreme



Strategic Risk Detail

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-001	Failure to protect staff or third parties from injury.	Jim Epis	Human Safety and Well – Being	11/12/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Excellent




Revised - Existing Control Text

Comprehensive OHS procedures, policies, training and communication. Proactive operational inspections.

Future - Future Control Text

Continuing implementation OHS policy and Risk Management strategy – implementation including incorporation of appropriate sections of this policy and strategy into position descriptions, service delivery plans, performance development plans, Council Plan and regular reporting through quarterly reports and annual report (HR).

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure an OSH Risk Management Plan is in place in line with the Risk Management Policy and Procedure Manual.	Jim Epis	20	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-002	Change of government policy negatively affecting service provision or planned capital funding.	Tanya Browning	Capacity to Deliver Services	11/12/2014	Threat		 02/09/2014	 02/09/2014	 02/09/2014	Excellent




Revised - Existing Control Text

Long Term financial Plan based on current levels of service and funding

Future - Future Control Text

Ongoing review, efficiency and innovation initiatives to programs, ensuring successful service outcomes - positioning for grants

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure Corporate Plan and LTFP when reviewed consider the impact of government grants and contributions on service delivery and infrastructure renewal	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-003	Compromise of Council's public image and reputational integrity	Jim Epis	Shire Reputation and Governance	11/12/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Proactive engagement with all stakeholders, particularly the community. CEO communication with Councillors and networks

Future - Future Control Text

Advocacy and remaining vigilant to changing political, economic and social landscape.

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Ensure protocols are in place with dealing with the community, stakeholders and the media.	Jim Epis	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-004	Activation of comprehensive emergency management plan to ensure business interruption is minimised in the event of a major incident, loss of facility, loss of power.	Tanya Browning	Financial and Legal	11/12/2014	Threat		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Revised - Existing Control Text

Council Emergency Management Plan




Future - Future Control Text

Business continuity plan for Council with documented review and reporting process. Plan subject to various audit checks.




Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure current emergency management and continuity plans and processes are current	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-005	Customer processes and standards applied to all customer contact points in the Shire	Stuart Butson	Shire Reputation and Governance	11/12/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Excellent




Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Customer service procedures current to ensure consistency across the organisation and adherence to the Customer Service Charter	Stuart Butson	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-006	Inability to fund the maintenance replacement and renewal of infrastructure assets	Tanya Browning	Capacity to Deliver Services	11/12/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
LTFP informed by asset management plans for infrastructure assets	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-007	Waste management facilities and services do not adhere to licensing and legislative requirements	Dan Yates	Capacity to Deliver Services	11/12/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Waste Strategy exists in accordance with licensing and legislative requirements	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-008	Failure or reduction in service of infrastructure assets, plant, equipment or machinery.	Dan Yates	Capacity to Deliver Services	11/12/2014	Opportunity	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Fair




Revised - Existing Control Text

Asset management, maintenance and replacement plans in place

Future - Future Control Text

Ensure that asset management plans, maintenance plans and database remain current and inform the LTFP

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments				
ggggg	Dan Yates	10	30/06/2015	31/12/2014	30/06/2015					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-009	Failure to provide expected levels of service, events and benefit to the community	Stuart Butson	Shire Reputation and Governance	11/12/2014	Strength	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Good




Revised - Existing Control Text




Integrated Planning Framework, community satisfaction survey and complaints register in place

Future - Future Control Text

Ensure Integrated planning framework remains relevant , complaints register maintained regularly and community satisfaction survey is conducted every two years.

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments				
Community satisfaction Survey conducted and complaints register regularly maintained	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-010	Damage to buildings, property, plant & equipment (all assets) that does not result in a disruption to business objective	Stuart Butson	Capacity to Deliver Services	11/12/2014	Opportunity	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Fair

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-010	Damage to buildings, property, plant & equipment (all assets) that does not result in a disruption to business objective	Stuart Butson	Capacity to Deliver Services	11/12/2014	Opportunity	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Fair




Revised - Existing Control Text

Schedules are in place to record work required due to damage

Future - Future Control Text

Ensure that registers are linked to the asset management plans and adequate funding exists in the LTFP

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Unscheduled maintenance and cleaning registers in place to record work required due to damage	Stuart Butson	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-011	Failure to adequately capture, store, archive, retrieve, provision and / or disposal of documentation	Stuart Butson	Financial and Legal	11/12/2014	Opportunity		 11/12/2014	 11/12/2014	 11/12/2014	Fair

Revised - Existing Control Text




Records management policy and procedure in place

Future - Future Control Text

Records Keeping Plan completed and reviewed annually

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Review records policy and procedure and conduct an internal audit on policies, procedures and registers	Stuart Butson	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-012	Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework	Tanya Browning	Financial and Legal	11/12/2014	Opportunity	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Fair




Revised - Existing Control Text

Annual compliance return, financial returns and external audit undertaken annually

Future - Future Control Text

Document, standardise and flow chart the compliance framework

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Develop a standardised compliance framework and checklist	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-013	Failures in the procurement, acquisition, acceptance or disposal process for assets as governed by the Local Government Act	Tanya Browning	Financial and Legal	11/12/2014	Strength	Treat the risk	 11/12/2014	 11/12/2014	 11/12/2014	Good



Revised - Existing Control Text

Procurement Policy and delegations exist

Future - Future Control Text

Ensure review of delegations reflects procurement responsibilities and purchasing register includes positions and levels of authority to spend to




Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Update the current procurement policy and guideline in accordance with the WALGA Procurement Guide 2014.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
SR-014	Non-compliance with Occupation Health & Safety (OH&S) Regulations and physical security requirements	Tanya Browning	Human Safety and Well – Being		Opportunity		 11/12/2014		 11/12/2014	Good

Future - Future Control Text

Develop an OHS framework and risk registers

Operational Risk Detail

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-001	Budgets do not reflect strategic objectives	Tanya Browning	Financial and Legal	19/11/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Review by management of actual performance against budget in relation to initiatives/objectives of Community Strategic Plan, Corporate Business Plan and Strategic Management Plans.

Future - Future Control Text

Quarterly Report presented to Audit Committee

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure process in place to establish clear links and relationship between budgets and Integrated Plans.	Tanya Browning	20	30/06/2015	01/07/2014	30/06/2015	Review been started

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-002	CEO responsible to put in place a framework of internal controls over budget formulation and management.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Budget currently prepared internally in line with Long Term Financial Plan and checked by external auditors

Future - Future Control Text

Draft Budget presented to Council for information with executive comment on process over formulation prior to Adoption. Report quarterly on progress of budget against actuals to Audit Committee

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure Audit Committee signs off on process and framework for the formulation and management of the annual budget	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	we have progressed to arrange a meeting with LGIS

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-003	Unrealistic Budgets Adopted	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Current Budget prepared within the Leonora Integrated Planning Framework

Future - Future Control Text

All amendments to Budgets must be approved by Council and the impact on financial sustainability and LTFP considered

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure annual budgets prepared in accordance with the Leonora Integrated Planning Framework	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-004	Budgets are inaccurately reported with differences in the Budget adopted by Council, and that exercised by Council administration.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Original Budget and any approved changes are compared to the Budget entered into the financial system for accuracy by appropriate level of management with identified variances investigated.

Future - Future Control Text

Original Budget and any approved changes are compared to the Budget entered into the financial system for accuracy by internal audit function with identified variances investigated and reported to Audit Committee

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Appropriate level of management or an independent person investigates financial system for accuracy of budgets in financial system and changes adopted by Council.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-005	General Ledger does not contain accurate financial information	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




General Ledger reconciliations (including control and clearing accounts) are prepared monthly by responsible staff

Future - Future Control Text

General Ledger reconciliations (including control and clearing accounts) are prepared on a regular basis and all reconciliations independently reviewed.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
General Ledger reconciliations (including control and clearing accounts) are prepared monthly by responsible staff	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-006	Data contained within the General Ledger is permanently lost.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

Data for the general ledger is being backed up monthly and stored externally




Future - Future Control Text

Continue to ensure data for the general ledger is being backed up monthly and stored externally

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Ensure off-site backup of Tanya Browning data, program and documentation for the general ledger exists	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-007	General Ledger policies and procedures are not current.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Current procedures exist to enable staff to reconcile control and clearing accounts

Future - Future Control Text

Current general ledger policies and procedures are reviewed and signed off by Deputy CEO.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure procedures being used by staff for general ledger reconciliations are current	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-008	Council does not comply with statutory reporting requirements and deadlines	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Statutory financial reports prepared by suitably qualified staff and reviewed by senior management.

Future - Future Control Text

Quarterly statutory financial report prepared and presented to Audit Committee

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
A mechanism and/or checklist is in place to ensure statutory reporting deadlines are met. Deputy CEO monitors compliance with reporting deadlines.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-009	Council's statutory reports provide inaccurate financial information	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




General Ledger reconciliations (including control and clearing accounts) are prepared on a regular basis; all reconciliations independently reviewed.

Future - Future Control Text

Actual results compared to budget provided in management reports and reviewed quarterly by senior management team

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Actual results compared to budget regularly and provided in management reports. Management reviews and investigates significant variances.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-010	Accounting policies adopted by Council are not adhered to by Council administration.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Deputy CEO monitor's changes in guidance & regulations & makes the appropriate changes to the Shire's accounting policies & procedures on a timely basis.

Future - Future Control Text

Shire's accounting policy reviewed annually along with delegated authority to purchase on behalf of the Shire

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Accounting Policies and Procedures are reviewed, updated & communicated to all Shire staff responsible for reconciling, monitoring or purchasing	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-011	Council's financial information is not reviewed in a timely manner to enable effective decision making.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Council reviews its financial performance in accordance with relevant legislative requirements.

Future - Future Control Text

Ensure that roles and responsibilities are documented and within Delegations of Authority register and is maintained and updated.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Designated independent officer reviews the reporting timetable to ensure that management reviews the appropriate information on a regular and timely basis.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-012	Significant budget variances are either not investigated on a timely basis or not investigated at all.	Tanya Browning	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text



Management regularly reports on actual performance against budget

Future - Future Control Text

Management review the exception reports on a regular basis and investigate all significant variances; evidence of review demonstrated must be provided.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Exception reports generated on a regular basis that automatically identify variances and reviewed by management. Significant variances identified by using a standard threshold (either percentage or dollar value).	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-013	Cash Floats & Petty Cash are inadequately safeguarded	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Cash floats and petty cash are stored in secured facilities (e.g. safes, registers) when not in use

Future - Future Control Text

A register for cash floats and petty cash and custodians is maintained by authorised officers to record all movements.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Access (i.e. passwords or keys) to the cash floats and petty cash safes/registers is limited to authorised officers.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-014	Cash Floats and Petty Cash transactions are either invalid, inaccurately recorded or not recorded at all	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

A register for cash floats and petty cash and custodians is maintained by appropriately designated staff to record all movements




Future - Future Control Text

All petty cash disbursements are independently approved within financial delegations and supported by receipts.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Cash floats and petty cash are reconciled on a regular basis and these reconciliations are reviewed and signed off by an independent person.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-015	Banking transactions are either inaccurately recorded or not recorded at all	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Daily cash receipting is reconciled as part of end of day process

Future - Future Control Text

Daily cash receipting is reconciled as part of end of day process. Reconciliation checked and signed off by independent person

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Bank reconciliations are performed on a predetermined basis and are reviewed by an authorised officer. Any identified discrepancies are investigated immediately.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-016	Fraud	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

Cash transfers between bank accounts and investment bodies are approved by authorised officer. Bank reconciliations are performed on a predetermined basis and are reviewed by an authorised officer




Future - Future Control Text

Current controls are maintained and reviewed by an independent person

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Access to EFT Banking system restricted to appropriately designated personnel and procedures are in place to ensure that all cash collected is banked and properly recorded.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-017	Council makes poor investment decisions	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Management monitor cash & anticipated future cash flows. Surplus funds invested in accordance with Council policy. Investment & transfer of funds approved by officers in accordance with levels of delegations.

Future - Future Control Text

Council reviews investment performance quarterly through a report from the CEO.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Council has a clear and comprehensive investment policy to assist when making any decisions to invest funds.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-018	Investment transactions are either not recorded or are recorded inaccurately.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Actual investment income compared to budget on a regular basis; variances are investigated.

Future - Future Control Text

Journals are processed regularly for all investments and a process is in place to verify the accuracy of transactions. All journals are double checked.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Investment transactions are reconciled / compared to third-party statements documents and discrepancies are investigated	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-019	Debtors are either not collected on a timely basis or not collected at all.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Debtor's reconciliation performed on a regular basis to the General Ledger and reviewed by an independent person.

Future - Future Control Text

Debtors and revenue are compared to budget regularly; management reviews and investigates significant variances

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Management reviews debtors ageing profile on a regular basis and investigates any outstanding items.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-020	Inventory received is either recorded inaccurately or not recorded at all.	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Supplier statements are reconciled to goods receipt records and invoices regularly.

Future - Future Control Text

Physical inventory is counted regularly by persons independent of day-to-day custody or recording of inventory. Inventory counts are reconciled to inventory records and inventory records are reconciled to the general ledger.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Monthly stock-takes of inventory are completed and reconciled to the general ledger	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-021	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Reconciliation of fixed assets to the General Ledger is performed regularly.

Future - Future Control Text

Recorded changes to the fixed asset register and/or masterfile are approved by management, compared to authorised source documents and General Ledger to ensure accurate input.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
All fixed asset acquisitions and disposals are approved in accordance with delegation of authority and relevant procurement and fixed asset policies.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-022	Fixed Asset maintenance and/or renewals are inadequately planned	Dan Yates	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

Asset Management Plans direct Council's programmed maintenance and asset renewal schedules

Future - Future Control Text




Management undertakes a regular review of useful lives of Fixed Assets and updates asset management plan to reflect any significant changes (i.e. expected time-frame for replacing significant fixed assets).

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Asset Management	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015
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Plans exist for all major asset classes and all changes to the asset management plan must be approved by Council

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-023	Over-expenditures on projects may not be detected	Tanya Browning	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Exception report generated detailing all variances for project costs over a fixed threshold (i.e. percentage or dollar amount). Exception report reviewed by management and all significant variances are investigated.

Future - Future Control Text

Management performs an on-going review of current projects. This review is formally documented through an effective evaluation process and involves monitoring costs to date and estimated costs of completion.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Rigorous process exists for establishing budgets for projects. Project budgets must be approved in accordance with Delegations of Authority.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-024	Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Invoices received are authorised and accompanied by appropriate supporting documentation. Statements received from suppliers are reconciled to the supplier accounts in the accounts payable subledger regularly and differences are investigated.

Future - Future Control Text

Invoices received are authorised and accompanied by appropriate supporting documentation. Statements received from suppliers are reconciled to the supplier accounts in the accounts payable subledger regularly and differences are investigated.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Payments (Cheques and EFT's) are endorsed by authorised officers separate to the preparer who ensure that they are paid to the specified payee	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-025	Disbursements are not authorised properly	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Individuals who authorise payment of suppliers are authorised officers who are independent of the processing of invoices.

Future - Future Control Text

All disbursements must be approved by an authorised officer in accordance with relevant policies and/or Delegations of Authority

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Purchase Orders must be raised for the purchase of goods and services in line with the Council's Procurement policy or over a predetermined amount where applicable. This must be done in accordance with delegated authorities	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-026	Borrowings are either not recorded or are recorded inaccurately	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Debt repayment transactions are scrutinised and/or reconciled to ensure complete and consistent recording in the appropriate accounting period.

Future - Future Control Text

The loan register and loan approvals is subject to management and/or internal audit review. Loan balances regularly in the General Ledger compared to budget, loan register and statements from financial institutions.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
A loan register is maintained containing a copy of Council resolution approving the loan and a schedule of the loan liability and the loan repayment from the lender. This also includes details of any Cash Advanced Debenture	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-027	Lack of working capital to meet Council's financial commitments	Jim Epis	Shire Reputation and Governance	01/09/2014	Threat		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Details of cash requirements, particularly with capital works, are documented and discussed by authorised officers. Investments and borrowings are reported to Council quarterly

Future - Future Control Text

Cashflow budgets prepared by suitably qualified personnel on a regular basis.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Management reviews cash position of Council on an on-going basis, involving comparison to budgets; significant variances investigated by management.	Jim Epis	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-028	Council does not raise the correct level of rate income	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Actual rate revenue and rate rebates are compared to budget regularly; management reviews and investigates significant variances.

Future - Future Control Text

Policy and procedures provides clear guidance to relevant employees as to the correct method for calculating rate income and the collections protocol.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Management regularly reviews the calculation methodology within the rate application system and for a sample of ratepayers to ensure correct calculation and methodology has been used.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-029	Council loses recurrent Grant funding to provide existing service	Jim Epis	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Council has a grant revenue register which records details such as reporting deadlines, amount and instalments expected and key milestones.

Future - Future Control Text

Grant funding availability should be identified at the budget formulation stage. If future grant funding not available, services levels to be reviewed at budget formulation stage.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Council has a clear process to review services where grant funding has ceased to ensure it understands the financial impact on its sustainability.	Jim Epis	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-030	The fee charged does not reasonably reflect the value of the services provided	Tanya Browning	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




User pay income compared to budget regularly; management reviews and investigates significant variances.

Future - Future Control Text

Leases, agreements, memorandum of understandings or contracts are required to cover use of Council facilities, sporting grounds, etc.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Management to review fees charged for services on a regular basis in order to provide a value for money service in the light of operational costs.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-031	Receipts are not deposited at the bank on a timely basis or not recorded	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Receipts are deposited regularly at the bank by a person independent from the initial recording of the cash receipts

Future - Future Control Text

Bank statements are reconciled to the general ledger and banking reports where relevant, on a fortnightly basis and reviewed by an authorised person.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Bank statements are reconciled to the general ledger and banking reports where relevant, monthly and are reviewed by an authorised person.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-032	Council does not obtain value for money in its purchasing & procurement	Tanya Browning	Shire Reputation and Governance	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




All purchase orders are approved in accordance with the Delegations of Authority and relevant policies

Future - Future Control Text

Periodic review of all contracts and purchase to ensure that Council achieves value for money from suppliers.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Council has a comprehensive Contract and Procurement Policy and Guidelines, in accordance with the WALGA Procurement Guide 2014. These are reviewed annually.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-033	Purchase orders are placed for unapproved goods and services	Tanya Browning	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




All purchase orders are approved in accordance with the Delegations of Authority and relevant policies.

Future - Future Control Text

All purchase orders continue to be approved in accordance with the Delegations of Authority and relevant policies.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Staff provided clear guidance and instructions on the process for purchasing goods and services, including appropriate approval and obtaining appropriate number of quotes, where applicable.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-034	Payroll disbursements are made to incorrect or fictitious employees	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Transfer of the bank file IS restricted to authorised officers who are not be involved in the preparation of the pay run

Future - Future Control Text

Employees made inactive in payroll records immediately upon termination. Termination report provided as supporting documentation with request for an EFT. Comparison of subsequent current employee listings made by independent person to verify correctness

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Payroll system generates exception reports detailing all payroll changes that are regularly reviewed by management who investigate & approve variances.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-035	Credit Cards are used for purchases of a personal nature and/or have inappropriate levels	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text




Employees sign a declaration confirming compliance with Council policy and procedures prior to the Credit Card being released

Future - Future Control Text

Exception report from Credit Card providers detailing all breaches of credit card limits on an individual employee basis; management regularly reviews this report and investigates all breaches on a timely basis

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Council, CEO or other authorised officer approves all issues of Credit Cards and limits, to employees prior to release	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-036	Employees are reimbursed for expenses of a personal nature	Tanya Browning	Financial and Legal	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

Management regularly reviews employee reimbursements and selects unusual/significant items and agrees to original approved reimbursement claim along with supporting evidence (i.e. receipts). All errors are investigated.




Future - Future Control Text

Management select a sample of employee reimbursements and check them for mathematical accuracy and ensures that they have been recorded correctly in the ledger.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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All claims for Employee Reimbursements are submitted for approval along with supporting documentary evidence (i.e. receipts) and confirmation of valid expenses. This is approved by management in accordance with Delegations of Authority. Management focus on the nature (i.e. type of expense) as well as the amount of the claim.	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-037	Council is not able to demonstrate that all probity issues have been addressed in the Contracting process	Tanya Browning	Shire Reputation and Governance	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text
Evaluation process exists both during the selection process and throughout the term of the contract to ensure that supplier / contractor meet their objectives.

Future - Future Control Text
Designated person (i.e. Internal or Probity Auditor) to review Contract process to ensure compliance with Council policy and Guidelines.

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Robust and transparent selection processes to ensure effective and qualified suppliers / contractors are selected by Council. This includes compliance with Code of Conduct, Conflict of Interest and procurement policies	Tanya Browning	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-038	Council does not obtain value for money in relation to its contractors	Dan Yates	Shire Reputation and Governance	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Revised - Existing Control Text

On-going contract management process that identifies and manages deliverables, key contract clauses, responsibilities and milestones




Future - Future Control Text

Suitably qualified/independent personnel to sit on Selection Panel to ensure that informed and objective decision is made when selecting suppliers / contractors.

Solutions :




Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
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Council does not release milestone payments to suppliers / contractors until they meet all their associated objectives. Payments authorised by CEO and/or delegated senior officer	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015
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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-039	Footpaths lifting and causing a tripping hazard	Dan Yates	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Annual asset maintenance plan exists for footpaths	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-040	Pot holes and road shoulder wearing causing potential traffic hazards and/or closures	Dan Yates	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Annual asset maintenance plan exists for roads	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-041	Tree limbs dropping causing potential harm or traffic hazards	Dan Yates	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure an annual tree pruning program exists	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-042	Staff Working in isolation	Dan Yates	Human Safety and Well – Being	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure a procedure exists in the OHS Risk Management Plan for staff working in isolation	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-043	Long Distances travelled between work environments	Dan Yates	Human Safety and Well – Being	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure a procedure exists in the OHS Risk Management Plan for long distances between work environments	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-044	Chemicals used in operating environments	Dan Yates	Human Safety and Well – Being	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Safe operating procedure for use of chemicals exists as well as a chemicals register	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-045	Unsuitability of plant and equipment for staff to perform their duties	Dan Yates	Human Safety and Well – Being	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure operator requirements are included as part of procurement process for plant and equipment	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-046	Plant and equipment maintained and serviced based on time and utilisation	Dan Yates	Capacity to Deliver Services	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent




Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure service schedules exist for plant and equipment maintenance based on utilisation	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-047	Abide by on-road regulations and - chain of responsibility	Dan Yates	Shire Reputation and Governance	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure it is well documented where the Shire fits in the Chain of Responsibility	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls
OR-048	Maintenance records for plant and machinery kept in accordance with manufacturers specifications and OHS legislation	Dan Yates	Shire Reputation and Governance	01/09/2014	Weakness		 02/09/2014	 02/09/2014	 02/09/2014	Non-existent

Solutions :

Risk Action	Responsible Person	Progress %	Due Date	Start Date	End Date	Comments
Ensure maintenance records for plant and machinery are kept and easily accessible	Dan Yates	10	30/06/2015	01/07/2014	30/06/2015	

Project Risk Detail

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Inherent Rating	Revised Rating	Future Rating	Eff. of Controls

VOTING REQUIREMENT

Simple Majority

5.0 NEXT MEETING

The next meeting of Audit & Risk committee will be held on Tuesday 17th March, 2015, in the Shire of Leonora Council Chambers, to commence at the conclusion of the Ordinary Meeting of Council commencing at 9:30am.

6.0 CLOSURE OF MEETING

There being no further business, Chairman Cr PJ Craig closed the meeting at 4:02pm.