



**SHIRE OF MENZIES**

**MINUTES**

**OF THE AUDIT COMMITTEE MEETING OF  
COUNCIL HELD**

**Thursday 27 October 2016**

**Commencing at 11.08 am**

## **DISCLAIMER**

No responsibility whatsoever is implied or accepted by the Shire of Menzies for any act or omission or statement or intimation occurring during this meeting.

It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within fourteen (14) days of this meeting.

## **FINANCIAL INTEREST (EFFECTIVE 1 JULY 1996)**

A financial interest occurs where a Councillor, or person with whom the Councillor is closely associated, has direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

An indirect financial interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

### **Councillors should declare an interest:**

- a) In a written notice given to the CEO before the meeting: or**
- b) At the meeting immediately before the matter is discussed**

A member who has declared an interest must not:

Preside at the part of the meeting relating to the matter: or  
Participate in, or be present during any discussion or decision making procedure relating to the matter.

Unless the member is allowed to do so under Section 5.68 or 5.69, Local Government Act 1995

Ref: Local Government Act 1995 Division 6 – Disclosure of Financial Interest.  
Specifically, Sections 5.60, 5.61, 5.65 and 5.67

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**1 DECLARATION OF OPENING**

The Chairperson declared the meeting open at 11.08am.

**2 ANNOUNCEMENT OF VISITORS**

There were no visitors present at this meeting.

**3 RECORD OF ATTENDANCE**

Present

Councillors: Cr J Dwyer                      Shire President  
                  Cr J Mazza  
                  Cr I Tucker  
                  Cr K Mader

Staff                Mrs R Evans                      Chief Executive Officer  
                         Ms J Taylor                      Manager Finance & Administration

**4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

There was no response to previous public questions taken on notice.

**5 PUBLIC QUESTION TIME**

There was no public question time.

**6 APPLICATIONS FOR LEAVE OF ABSENCE**

There were no applications for leave.

**7 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**8 NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

There was no notice of items to be discussed behind closed doors.

**9 CONFIRMATION / RECEIVAL OF MINUTES**

**9.1 Confirmation of Minutes of Audit Committee Meeting of Council held on  
25 February 2016**

*That the minutes of the Audit Committee Meeting of Council held on Thursday 25  
February 2016 be confirmed as a true and correct record.*

**10 PETITIONS / DEPUTATIONS / PRESENTATIONS**

There were no Petitions / Deputations / Presentations at this meeting.

**11 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

There were no Announcements by Presiding Member without Discussion.

## **12 FINANCE AND ADMINISTRATION**

### **12.1.1 Risk Management Reporting Framework**

<b>LOCATION:</b>	N/A
<b>APPLICANT:</b>	N/A
<b>DOCUMENT REF:</b>	4189
<b>DISCLOSURE OF INTEREST:</b>	The Author has no interest to disclose
<b>DATE:</b>	19 October 2016
<b>AUTHOR:</b>	Rhonda Evans, chief Executive Officer
<b>ATTACHMENT:</b>	12.1.1 – Strategic Risk Management Report

#### **RECOMMENDATION:**

That the Audit Committee Notes the Draft Enterprise risks and controls.

#### **VOTING REQUIREMENTS:**

Simple Majority

#### **IN BRIEF:**

The Draft Enterprise Risk Report is presented to Council for information and comment. This document is the reporting mechanism for the Policy 1.7 Enterprise Risk Management.

The document is dynamic, and will be updated as new risks arise, and new projects are commenced.

#### **RELEVANT TO STRATEGIC PLAN:**

Community Priorities

Active Civic Leadership

- Regularly monitor and report on the Shire's activities, budgets, plans and performance.

#### **STATUTORY AUTHORITY:**

*Local Government (Audit) Regulations 1996 – Chief Executive Officer to review certain systems and procedures.*

#### **POLICY IMPLICATIONS:**

Policy 107 Enterprise Risk Management – The Risk Management Policy outlines the shire's commitment and approach to managing risks that may impact in its day-to-day operations and threaten the achievement of its objectives.

**FINANCIAL IMPLICATIONS:** Nil

#### **RISK ASSESSMENTS:**

Allocation has been made in the 2016/2017 annual budget for the internal audit risk function.

**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

- Progress made in 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 program will set out the internal audit activity for the year 2016/2017 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 Manager Finance and Administration, the Executive Assistant, the Works Supervisor and Consultants to address areas that present risks to the Shire's operations.

**COMMENT:**

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 activities will be reported in accordance with the Framework established.

Internal audit activity focuses on area 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-up conducted to ensure they are implemented as agreed.

It is therefore recommended that the Audit Committee notes the Draft Enterprise Risks and Controls as attached.

<b>COMMITTEE RECOMMENDATION:</b>
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**Moved: Cr Tucker**

**Seconded Cr Mader**

That the Audit Committee Note the Draft Enterprise risks and controls.

**Carried: 4/0**

**13 ELECTED MEMBERS MOTION OF WHICH PREVIOUS NOTICE HAVE  
BEEN GIVEN**

There were no elected member's motions of which previous notice had been given.

**14 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

There was no new business of an urgent nature introduced by Decision of the Meeting.

**15 ITEMS FOR CONSIDERATION BEHIND CLOSED DOORS**

There were no items for consideration behinds closed doors.

**16 NEXT MEETING**

The next Ordinary Council Meeting for the Shire of Menzies will be held on Thursday 27 October 2016 commencing at 1pm.

**17 CLOSURE OF MEETING**

There being no further business the Shire President closed the meeting at 12.07pm.

**I, \_\_\_\_\_ hereby certify that the Minutes of the Audit Committee Meeting of Council held 27 October 2016 are confirmed as a true and correct record, as per the Council Resolution of the Ordinary Meeting of Council held on 24 November 2016.**

**Signed: \_\_\_\_\_ Dated: 24 November 2016**



**Shire of Menzies**

**Enterprise Risk Report as at 30 September 2016**



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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP28
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Significant budget variances are either not investigated on a timely basis or not investigated at all.

---

### Initial Risk Assessment

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Monthly budget to actual review not completed in a timely manner

**Consequences** - Service levels may need to be adjusted to cover cost of over expenditure, or projects where underspend may result in projects not meeting expectations

**Treatment** : CEO to meet monthly with officers to review Reports

---

### Revised Risk Assessment

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### Future Risk Assessment

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Management regularly reports on actual performance against budget

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***Risk Solution : 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).***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP33
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Purchase orders are placed for unapproved goods and services

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Procurement policy not followed - monthly actual against budget reports not reviewed.

**Consequences** - Budget over run may require review of service levels and projects

**Treatment** : Authorised Officers to endorse all purchase orders - training for all purchasing officers to be run quarterly

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### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : All purchase orders are approved in accordance with the Delegations of Authority and relevant policies

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***Risk Solution*** : ***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.***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP11
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Cash Floats & Petty Cash are inadequately safeguarded

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** lack of process

**Consequences -** Loss of cash - potential fraud

**Treatment :** Allocate cash drawers and petty cash to specific officers

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Possible **Rating :** Low

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

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

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***Risk Solution : Access (i.e. passwords or keys) to the cash floats and petty cash safes/registers is limited to authorised officers***

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**Directorate**

**Finance**

**Risk Code**

OP12

**Risk Category**

**Financial and Legal**

**Risk**

Cash Floats and Petty Cash transactions are either invalid, inaccurately recorded or not recorded at all

---

### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : Moderate

**Consequence** : Minor

**Last Changed** : October 2016

**Causes** : lack of process

**Consequences** - reimbursement incomplete

**Treatment** : Ensure process and practise for imprest system for cash

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### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : Low

**Consequence** : Minor

**Last Changed** : October 2016

**Effectiveness of Controls** :

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

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***Risk Solution : Cash floats and petty cash are reconciled on a regular basis and these reconciliations are reviewed and signed off by an independent person***

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**Directorate**

**Finance**

**Risk Code**

OP15

**Risk Category**

**Financial and Legal**

**Risk**

Council's financial information is not reviewed in a timely manner to enable effective decision making.

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### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : insufficient skills level of key staff to ensure timeliness of review

**Consequences** - Projects going over budget not noted may lead to annual program of works not being completed

**Treatment** : Monthly meeting to peer review Reports

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Low

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Council reviews its financial performance in accordance with relevant legislative requirements.

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***Risk Solution*** : Designated independent officer reviews the reporting timetable to ensure that management reviews the appropriate information on a regular and timely basis.

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP16
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Council's statutory reports provide inaccurate financial information

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### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : High

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Lack of undersancing of general ledger structure results in postings to wrong accounts and hense inaccurate reporting

**Consequences** - Budget appears to be within parameters, but is exceeded when error is addressed

**Treatment** : Monthly meeting to peer review Reports

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### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

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

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***Risk Solution : Actual results compared to budget regularly and provided in Reports. Management reviews and investigates significant variances***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP17
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Data contained within the General Ledger is permanently lost

---

### Initial Risk Assessment

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Colapse or corruption of critical database system - backup protocol not in place

**Consequences** - Records lost the future integrity of data used for future decisions may be compromised

**Treatment** : Strict backup regeme - alerts of incomplete backups or validation to at least two officers - backup to tape (offsite, hard disk and removable media)

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### Revised Risk Assessment

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### Future Risk Assessment

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Critical **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Data for the general ledger is being backed up daily.

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***Risk Solution : Ensure off-site backup of data, program and documentation for the general ledger exists***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP18
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Debtors are either not collected in a timely basis or not collected at all.

---

### **Initial Risk Assessment**

**Likelihood :** High **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Causes :** Lack of skill sets to manage debtors is not available

**Consequences -** High level of debtors reduces cash flow - and the ability to meet debts without overdraft

**Treatment :** Monthly review of outstanding debtors by Manager - level of outstanding debts reported to Council monthly

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### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

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### **Future Risk Assessment**

**Likelihood :** High **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Effectiveness of Controls :**

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

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***Risk Solution : Management reviews debtors ageing profile on a regular basis and investigates any outstanding items***



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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP19
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Disbursements are not authorised properly

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### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Lack of procedure or procedure not followed

**Consequences** - Monies used without correct authority - or for a purpose not authorised.

**Treatment** : All payments are authorised by two officers - fortnightly payments are authorised by CEO and MFA together. Credit Cards are authorised by CEO (Managers)

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### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Individuals who authorise payment of suppliers are authorised officers who are independent of the processing of invoices

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***Risk Solution : 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***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP20
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Employees are reimbursed for expenses of a personal nature

---

### **Initial Risk Assessment**

**Likelihood** : Rare **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Authority heirachy not checking nature of purchases and disbursement documentation

**Consequences** - Council funds used for unauthorised purposes - fraud

**Treatment** : Ensure induction process includes the process and rules relating to expenses that can be reimbursed. - Training to include breaches and penalties.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Rare **Rating** : Low

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : 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

---

***Risk Solution : 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 o***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP21
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Poor process or process not followed on the purchase of fixed assets

**Consequences** - Inaccurate records for Council property and assets

**Treatment** : Implement monthly review of all Capital purchases and reconciliaiton against assets purchased

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Reconciliation of fixed assets to the General Ledger is performed regularly.

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***Risk Solution : All fixed asset acquisitions and disposals are approved***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP22
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	General Ledger does not contain accurate financial information

---

### Initial Risk Assessment

<b>Likelihood</b> : Possible	<b>Rating</b> : Moderate
<b>Consequence</b> : Minor	<b>Last Changed</b> : October 2016
<b>Causes</b> : Poor training of composition and use of general ledger	
<b>Consequences</b> - Decisions taken are based on incorrect information	
<b>Treatment</b> : All payments are authorised by two Officers - accounts expensed checked for each payment	

---

### Revised Risk Assessment

<b>Likelihood</b> :	<b>Rating</b> :
<b>Consequence</b> :	<b>Last Changed</b> :
<b>Effectiveness of Controls</b> :	
<b>Existing Controls</b> :	

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### Future Risk Assessment

<b>Likelihood</b> : Possible	<b>Rating</b> : Low
<b>Consequence</b> : Minor	<b>Last Changed</b> : October 2016
<b>Effectiveness of Controls</b> :	
<b>Future Controls</b> : General Ledger reconciliations (including control and clearing accounts) are prepared monthly by responsible staff	

---

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

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP24
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Inventory received is either recorded inaccurately or not recorded at all.

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Reconciliation between goods purchased and goods sold process not followed.

**Consequences** - Inaccurate estimates of value of goods held for sale.

**Treatment** : MCS to verify accuracy of stock takes and check quarterly reconciliation

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### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Supplier statements are reconciled to goods receipt records and invoices regularly.

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***Risk Solution : Quarterly stock-takes of inventory are completed and reconciled to the general ledger***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP25
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Investment transactions are either not recorded or are recorded inaccurately.

---

### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : Moderate

**Consequence** : Minor

**Last Changed** : October 2016

**Causes** : Investment process is at high level (signatories) - information may not be passed to relevant staff for processing

**Consequences** - Transactions not reported in a timely manner

**Treatment** : Monthly reconciliation of investments to ledger

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : Low

**Consequence** : Minor

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Actual investment income compared to budget on a regular basis; variances are investigated

---

***Risk Solution : Investment transactions are reconciled / compared to third-party statements documents and discrepancies are investigated***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP27
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Payroll disbursements are made to incorrect or fictitious employees

---

### **Initial Risk Assessment**

**Likelihood** : Rare **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Audit trail of new employees or amendments to terminated employees not adequately controlled

**Consequences** - Fraud -

**Treatment** : Audit Trail of employee masterfile and bank account data to be reviewed monthly by MAS

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### **Future Risk Assessment**

**Likelihood** : Rare **Rating** : Low

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

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

---

***Risk Solution : Payroll system generates exception reports detailing all payroll changes that are regularly reviewed by management who investigate & approve variances. Payroll and changes reviewed by two officers.***

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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP3
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Council makes poor investment decisions

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Lack of understanding of products - influence of sales pitch

**Consequences** - Loss of future revenue

**Treatment** : Council has a policy requiring monthly reporting of all investments, restriction on the type of investments that can be made. The Local Government Act 1995 also restricts investments.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : 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.

---

***Risk Solution*** : ***Council has a clear and comprehensive investment policy to assist when making any decisions to invest funds.***



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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP31
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Credit Cards are used for purchases of a personal nature and/or have inappropriate levels

---

### **Initial Risk Assessment**

**Likelihood :** Unlikely **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Causes :** Credit cards issued with insufficient guidelines communicated to holders

**Consequences - Fraud -**

**Treatment :** Ensure all cardholders are fully aware of the rules governing the use of Shire credit card.

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Unlikely **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Employees sign a declaration confirming complian

---

***Risk Solution : Council, CEO or other authorised officer approves all issues of Credit Cards and limits, to employees prior to release***

---

**Directorate**

**Finance**

**Risk Code**

OP5

**Risk Category**

**Financial and Legal**

**Risk**

Receipts are not deposited at the bank on a timely basis or not recorded

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Low staff numbers may not permit separation of roles

**Consequences** - Internal Controls may be compromised

**Treatment** : Rotate banking duties between staff

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Receipts are deposited regularly at the bank by different members of staff

---

***Risk Solution : Bank statements are reconciled to the general ledger and banking reports where relevant, monthly and are reviewed by an authorised person.***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP52
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Failure to update monthly posting parameters

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Lack of process to ensure parameters are updated

**Consequences** - Transactions posted to incorrect period

**Treatment** : Ensure process and verification of correct procedures

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Diary note generated by Outlook

---

***Risk Solution : Review software in use and update to modern software***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP53
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Payroll ledger does not balance to General Ledger

---

### Initial Risk Assessment

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Posting of transactions outside the payroll system, or directly to the control account

**Consequences** - Subsidiary ledger does is not correctly reflected in General Ledger (and reporting)

**Treatment** :

---

### Revised Risk Assessment

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### Future Risk Assessment

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Two officers to review end of month balance

---

***Risk Solution : Review software in use and update to modern software***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP54
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Failure to raise penalties on outstanding debts

---

### **Initial Risk Assessment**

**Likelihood :** Unlikely **Rating :** Low

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** Lack of process to ensure regular updates

**Consequences -**

**Treatment :**

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Unlikely **Rating :** Low

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Two officers to review end of month process

---

***Risk Solution : Review software in use and update to modern software***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP55
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Failure to complete grant disbursements in a timely manner

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Significant **Last Changed** : October 2016

**Causes** : Poor Project management of grant funded programs

**Consequences** - Contract commitments with Funding Bodies not met. May affect future grant applications outcomes.

**Treatment** : Assign a responsible Manager to each project.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Monthly report to Council showing date of disbursement

---

***Risk Solution : Include importance of Grant process during induction of new employees and those directly involved with Grant fundings***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP56
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Trust Fund does not balance to General Ledger

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Insignificant **Last Changed** : October 2016

**Causes** : Lack of attention to daily processing

**Consequences** - Incorrect allocation of funds not under the Control of the Shire

**Treatment** : Include in monthly process checking and cross checking.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Two Officers review end of month balance

---

***Risk Solution : Review software in use and update to modern software***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP57
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Private works jobs not fully invoiced

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Low

**Consequence** : Insignificant **Last Changed** : October 2016

**Causes** : Poor process and/or controls to ensure monthly activities are complete

**Consequences** - Debts not correctly recorded and recovered

**Treatment** : Include in monthly process checking and cross checking.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Monthly review of balances in Private Works Jobs

---

***Risk Solution : Review software in use and update to modern software***



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<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP58
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Workers compensation claims not invoiced and balanced to General Ledger

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** Low

**Consequence :** Insignificant **Last Changed :** October 2016

**Causes :** Poor process and/or controls to ensure monthly activities are complete

**Consequences -** Debts not correctly recorded and recovered

**Treatment :** Include in monthly process checking and cross checking.

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Possible **Rating :** Low

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Two Officers review end of month balance

---

***Risk Solution : Implement software to automate process***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP6
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Accounting policies adopted by Council are not adhered to by Council administration.

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Low

**Consequence** : Minor

**Last Changed** : October 2016

**Causes** : Lack of understanding of reasons behind policies - inductions did not address policies - policies out of date or unrealistic

**Consequences** - Compliance may be compromised - possible for fraud or misallocations of resources

**Treatment** : All staff to receive training on policies relating to their area of responsibility. General training to be repeated each quarter.

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Low

**Consequence** : Minor

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : MFA monitor's changes in guidance & regulations & makes the appropriate changes to the Shire's accounting policies & procedures on a timely basis.

---

***Risk Solution : Accounting Policies and Procedures are reviewed, updated & communicated to all Shire staff responsible for reconciling, monitoring or purchasing***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP7
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** Poor procurement procedures - Finance procedures are not complete

**Consequences -** Payments either not paid, or paid twice (or multiple) times - credit risk compromised

**Treatment :** All relevant staff to receive procurement policy training - Audit trail of creditors masterfile to be reviewed monthly by officer other than the creditor officer.

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

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### **Future Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** 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.

---

***Risk Solution : Payments (Cheques and EFT's) are endorsed by authorised officers separate to the preparer who ensure that they are paid to the specified payee***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP8
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Banking transactions are either inaccurately recorded or not recorded at all

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : poor understanding of accounting procedures - payments by pass usual controls and systems

**Consequences** - Banks accounts do not reconcile - reporting to Council inaccurate

**Treatment** : At least three staff members to sign off receipting control sheets - Cashier, supervisor and Senior Finance Officer. Bank reconciliations to be processed by two officers

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Daily cash receipting is reconciled as part of end of day process

---

***Risk Solution : Bank reconciliations are performed on a predetermined basis and are reviewed by an authorised officer. Any identified discrepancies are investigated immediately***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP9
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Budgets are inaccurately reported with differences in the Budget adopted by Council, and that exercised by Council administration.

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Processing errors between Adopted budget and budget entered into computer system

**Consequences** - Adopted budget is not followed

**Treatment** : Audit Committee to review adopted budget against reported budget regularly.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : 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.

---

***Risk Solution*** : *Appropriate level of management or an independent person investigates financial system for accuracy of budgets in financial system and changes adopted by Council.*

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP32
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Lack of working capital to meet Council's financial commitments

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Causes** : High outstanding rates or grant expenditure not recouped in a timely manner

**Consequences** - Council may need to fund an overdraft or reduce programs

**Treatment** : CEO to meet Officers monthly to review Reports. Audit Committee to review budget each quarter

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

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

---

***Risk Solution : Management reviews cash position of Council on an on-going basis, involving comparison to budgets; significant variances investigated by management.***

---

<b>Directorate</b>	<b>Finance</b>
<b>Risk Code</b>	OP59
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Road Contribution Statements not completed to reflect contributions or expenditure

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** High

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** Poor management control, allocation of contributions to incorrect accounts

**Consequences -** Inaccurate reporting to Council and Stakeholders

**Treatment :** Validation of reporting by Technical Services

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Unlikely **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Monthly statement reported to Council

---

***Risk Solution : Include importance of Grant process during induction of new employees and those directly involved with Grant fundings***

---

**Directorate**

**Governance**

**Risk Code**

OP2

**Risk Category**

**Capacity to Deliver Services**

**Risk**

Council loses recurrent grant funding to provide existing services

---

### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : High

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Slow or incomplete disbursements of grants - change to Government policy resulting in termination of grant funding

**Consequences** - Ability to maintain service levels is at risk

**Treatment** : Review services provided - plan to become a cost effective as possible or

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : High

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Council has a grant revenue register which records details such as reporting deadlines. Amount and instalments expected and key milestones

---

***Risk Solution*** : Council has a clear process to review service where grant funding has ceased to ensure it understands the financial impact on its sustainability



---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP26
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Over-expenditures on projects may not be detected

---

### Initial Risk Assessment

**Likelihood :** Unlikely **Rating :** Moderate  
**Consequence :** Major **Last Changed :** October 2016  
**Causes :** Projects budget to % complete not monitored  
**Consequences -** budget over run requires reduction of scope on other projects  
**Treatment :** CEO to meetwith relevant officers monthly to review Reports

---

### Revised Risk Assessment

**Likelihood :** **Rating :**  
**Consequence :** **Last Changed :**  
**Effectiveness of Controls :**  
**Existing Controls :**

---

### Future Risk Assessment

**Likelihood :** Unlikely **Rating :** High  
**Consequence :** Major **Last Changed :** October 2016  
**Effectiveness of Controls :**

**Future Controls :** 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

---

***Risk Solution : Rigorous process exists for establishing budgets for projects. Project budgets must be approved in accordance with Delegations of Authority.***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP29
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	The fee charged does not reasonably reflect the value of the services provided

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** Annual review of fees and charges not undertaken

**Consequences -** Service levels too high for fees charged

**Treatment :** CEO to meet Officers monthly to review Reports

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** User pay income compared to budget regularly; management reviews and investigates significant variances

---

***Risk Solution : 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.***

---

**Directorate**

**Governance**

**Risk Code**

OP37

**Risk Category**

**Capacity to Deliver Services**

**Risk**

Fixed Asset maintenance and/or renewals are inadequately planned

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Poor Long Term Plans, replacement and maintenance programs

**Consequences** - Reduction of service levels, degradation of public assets

**Treatment** : Annual review of Asset Maintenance and replacement program to be scheduled

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Asset Management Plans direct Council's programmed maintenance and asset renewal schedules

---

***Risk Solution : Asset Management Plans exist for all major asset classes and all changes to the asset management plan must be approved by Council***

---

**Directorate**

**Governance**

**Risk Code**

OP46

**Risk Category**

**Capacity to Deliver Services**

**Risk**

Change of government policy negatively affecting service provision or planned capital funding.

---

### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : Moderate

**Consequence** : Minor

**Last Changed** : October 2016

**Causes** : Policy change from external agencies

**Consequences** - Review of service levels and strategic direction

**Treatment** : Annual review of Corporate plan and long term financial plan to address

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : High

**Consequence** : Minor

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Review of Corporate and Strategic plans scheduled

---

***Risk Solution : Ensure Corporate Plan and LTFP when reviewed consider the impact of government grants and contributions on service delivery and infrastructure renewal***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP49
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Inability to fund the maintenance replacement and renewal of infrastructure assets

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Lack of forward planning - not following direction of corporate plan and associated documents forming the Strategic Directions

**Consequences** - Review of service levels and strategic direction

**Treatment** : Annual review of Corporate plan and long term financial plan to address

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Critical **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Review of Corporate and Strategic plans scheduled

---

***Risk Solution : LTFP informed by asset management plans for infrastructure assets***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP10
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Budgets do not reflect strategic objectives

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Adopted budget reflects the wishes of the sitting members

**Consequences** - long term and strategic aims of Council are not accomplished

**Treatment** : Annual report to analyse the budget v strategic plan and comment on variances

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Review by CEO of actual performance against budget in relation to initiatives/objectives of Community Strategic Plan, Corporate Business Plan and Strategic Management Plans.

---

***Risk Solution : Ensure process in place to establish clear links and relationship between budgets and Integrated Plans.***

---

**Directorate**

**Governance**

**Risk Code**

OP13

**Risk Category**

**Financial and Legal**

**Risk**

Council does not comply with statutory reporting requirements and deadlines

---

### **Initial Risk Assessment**

**Likelihood** : Possible

**Rating** : Low

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Lack of understanding of the importance of adherence to statutory requirements - Circumstances beyond the control of Council contribute to the inability to meet deadlines.

**Consequences** - Pressure is increased on key personnel within the organisations - Audit may be qualified

**Treatment** : Ensure qualified staff have the time to complete statutory requirements

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible

**Rating** : Low

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Statutory financial reports prepared by suitably qualified staff and reviewed by senior management

---

***Risk Solution : A mechanism and/or checklist is in place to ensure statutory reporting deadlines are met. MFA monitors compliance with reporting deadlines.***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP14
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Council does not raise the correct level of rate income

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Lack of understanding of the budget process - in particular valuations process

**Consequences** - Insufficient funds to meet commitments

**Treatment** : Issue of supplementary rates - or review of services and budget

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

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

---

***Risk Solution : 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***



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<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP23
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	General Ledger policies and procedures are not current

---

### **Initial Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Causes :** Staff changes - lack of handover

**Consequences -** Each change of staff results in reduced adhesion to procedures

**Treatment :** Ensure adequate induction to all staff, ensure procedures and work instructions are up to date

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Possible **Rating :** Moderate

**Consequence :** Minor **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Current procedures exist to enable staff to reconcile control and clearing accounts

---

***Risk Solution : Ensure procedures being used by staff for general ledger reconciliations are current***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP30
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Unrealistic Budgets Adopted

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Works program may be over ambitious - Services levels unrealistic

**Consequences** - projects and/or service levels may be compromised

**Treatment** : Audit Committee to review budget each quarter

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current Budget prepared within the Shire Integrated Planning Framework

---

***Risk Solution : Ensure annual budgets prepared in accordance with the Integrated Planning Framework***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP4
<b>Risk Category</b>	<b>Financial and Legal</b>
<b>Risk</b>	Fraud

---

### **Initial Risk Assessment**

**Likelihood** : Rare

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Low staff numbers may not permit separation of roles

**Consequences** - Internal Controls may be compromised

**Treatment** : Restrict permissions and authorities to designated officers

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Rare

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : 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

---

***Risk Solution : 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.***

---

**Directorate**

**Governance**

**Risk Code**

OP45

**Risk Category**

**Financial and Legal**

**Risk**

Lack of comprehensive emergency management plan to minimise loss in the event of a major incident

---

### **Initial Risk Assessment**

**Likelihood** : Rare

**Rating** : Low

**Consequence** : Critical

**Last Changed** : October 2016

**Causes** : Local, Regional or Statewide event causing loss of utilities, communications or physical access

**Consequences** - Lack of understanding of process and procedures causes misunderstanding and confusion during periods of crisis. Loss of confidence by stakeholders

**Treatment** : 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.

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Rare

**Rating** : Low

**Consequence** : Critical

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Ensure regular LEMAC meetings are held and plan is updated.

---

***Risk Solution : Ensure current emergency management and continuity plans and processes are current***

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<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP48
<b>Risk Category</b>	<b>Human Safety and Well-being</b>
<b>Risk</b>	Failure to protect staff or third parties from injury.

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Poor process or process not followed for asset management - maintenance not undertaken

**Consequences** - Loss of confidence by stakeholders, reduced staff moral

**Treatment** : Council to address all issues in a timely and open manner. Public consultaton to be undetaken as required.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Communication Strategy to be presented to Council November 2015

---

***Risk Solution : Ensure an OSH Risk Management Plan is in place in line with the Risk Management Policy and Procedure Manual.***

---

**Directorate**

**Governance**

**Risk Code**

OP1

**Risk Category**

**Shire Reputation and Governance**

**Risk**

Council is not able to demonstrate that all probity issues have been addressed in the contracting process

---

### **Initial Risk Assessment**

**Likelihood** : Rare

**Rating** : Low

**Consequence** : Critical

**Last Changed** : October 2016

**Causes** : Procedures not clear or complete

**Consequences** - Process not followed

**Treatment** : Ensure all work instructions and process documentation is clear and understood

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Rare

**Rating** : Low

**Consequence** : Critical

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Evaluation process exist both during the selection process and throughout the term of the contract to ensure that the supplier / contractor meet their objectives

---

***Risk Solution : 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***

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<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP47
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Compromise of Council's public image and reputational integrity

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Internal incident causing disfunctional organisation

**Consequences** - Loss of confidence by stakeholders, reduced staff moral

**Treatment** : Council to address all issues in a timely and open manner. Public consultaton to be undetaken as required.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Low

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Communication Strategy to be presented to Council November 2015

---

***Risk Solution : Ensure protocols are in place with dealing with the community, stakeholders and the media.***

---

<b>Directorate</b>	<b>Governance</b>
<b>Risk Code</b>	OP60
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Correspondence not actioned in a timely manner

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Lack of training and understanding of requirements and chain of command requirements

**Consequences** - Loss of confidence by stakeholders, reduced staff moral

**Treatment** : Adequate monitoring and reporting to check compliance.

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : High

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Monthly reports distributed to CEO by Executive Assistant

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***Risk Solution : Review software in use and update to modern software***



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<b>Directorate</b>	<b>Regulatory</b>
<b>Risk Code</b>	OP50
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Waste management facilities and services do not adhere to licensing

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Lack of understanding and/or training of staff responsible for compliance

**Consequences** - Loss of licence, changes to services levels and loss of income

**Treatment** : Annual review of process against licence requirements to be reported in the Annual Report

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

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### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Annual review to be undertaken

---

***Risk Solution : Waste Strategy exists in accordance with licensing and legislative requirements***

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<b>Directorate</b>	<b>Regulatory</b>
<b>Risk Code</b>	OP51
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Waste Water and sewerage management facilities and services do not adhere to licensing

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Lack of understanding and/or training of staff responsible for compliance

**Consequences** - Loss of licence, changes to services levels and loss of income

**Treatment** : Annual review of process against licence requirements to be reported in the Annual Report

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Annual review to be undertaken

---

***Risk Solution : Waste Strategy exists in accordance with licensing and legislative requirements***

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<b>Directorate</b>	<b>Regulatory</b>
<b>Risk Code</b>	OP61
<b>Risk Category</b>	<b>Health - Human Safety and well being</b>
<b>Risk</b>	Water Park water does not pass health department tests

---

### Initial Risk Assessment

**Likelihood** : Unlikely **Rating** : Moderate  
**Consequence** : Critical **Last Changed** : October 2016  
**Causes** : Water not tested adequately facility not being cleaned and chlorinated properly  
**Consequences** - Critical  
**Treatment** : Water testing once a month to ensure facility is safe for the public

---

### Revised Risk Assessment

**Likelihood** : **Rating** :  
**Consequence** : **Last Changed** :  
**Effectiveness of Controls** :  
**Existing Controls** :

---

### Future Risk Assessment

**Likelihood** : Unlikely **Rating** : Moderate  
**Consequence** : Moderate **Last Changed** : October 2016  
**Effectiveness of Controls** : Excellent  
**Future Controls** : Excellent

---

***Risk Solution : Policies and procedures are in place and are being followed at all times. Monthly checks.***

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<b>Directorate</b>	<b>Regulatory</b>
<b>Risk Code</b>	OP62
<b>Risk Category</b>	<b>Health - Human Safety and well being</b>
<b>Risk</b>	Chemical explosion from chemicals

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Catastrophic **Last Changed** : October 2016

**Causes** : Chemicals not being stored correctly

**Consequences** - Critical

**Treatment** : Qualified operators following correct procedures with chemicals

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Moderate **Last Changed** : October 2016

**Effectiveness of Controls** : Excellent

**Future Controls** : Excellent

---

***Risk Solution : Policies and procedures are in place and are being followed at all times. Monthly checks.***

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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP35
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Tree limbs dropping causing potential harm or traffic hazards

---

### **Initial Risk Assessment**

**Likelihood** : likely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Poor practise and inspection of tree stock - poor selection of trees in the town site.

**Consequences** - Danger to public - may cause damage to private or public property

**Treatment** : WS to review works crew inspection reports and report risk each to CEO each quarter

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : likely **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current process and procedures not documented

---

***Risk Solution : Ensure an annual tree pruning program exists***

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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP38
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Footpaths lifting and causing a tripping hazard

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Poor planning and asset management program

**Consequences** - Danger to public -Council not meeting duty of care

**Treatment** : WS to review works crew inspection reports and report risk each to CEO each quarter

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current process and procedures not documented

---

***Risk Solution : Annual asset maintenance plan exists for footpaths***

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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP41
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Plant and equipment not maintained and serviced in a timely manner

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Causes** : Poor records schedules not are updated to highlight need for servicing

**Consequences** - Poorly maintained plant and equipment - down time may result in significant costs by loss of opportunity cost or need to hire or replace equipment

**Treatment** : Monthly plant report to check scheduled services are undertaken and complete

---

### **Revised Risk Assessment**

**Likelihood** :

**Rating** :

**Consequence** :

**Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely

**Rating** : Moderate

**Consequence** : Major

**Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current process and procedures not documented

---

***Risk Solution : Ensure service schedules exist for plant and equipment maintenance based on utilisation***

---

<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP42
<b>Risk Category</b>	<b>Capacity to Deliver Services</b>
<b>Risk</b>	Pot holes and road shoulder wearing causing potential traffic hazards and/or closures

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Causes** : Scheduled inspections or road conditions not undertaken

**Consequences** - Danger to public - Council not meeting duty of care

**Treatment** : WS to review works crew inspection reports and report risk each to CEO each quarter

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Minor **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current process and procedures not documented

---

***Risk Solution : Annual asset maintenance plan exists for roads***



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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP93
<b>Risk Category</b>	<b>Health - Human Safety and well being</b>
<b>Risk</b>	Water Park water does not pass health department tests

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Water not tested adequately facility not being cleaned and chlorinated properly

**Consequences** - Critical

**Treatment** : Water testing once a month to ensure facility is safe for the public

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : Moderate

**Consequence** : Moderate **Last Changed** : October 2016

**Effectiveness of Controls** : Excellent

**Future Controls** : Excellent

---

***Risk Solution : Policies and procedures are in place and are being followed at all times. Monthly checks.***

---

<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP34
<b>Risk Category</b>	<b>Human Safety and Well-being</b>
<b>Risk</b>	Chemicals used in operating environments

---

### **Initial Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Causes** : Poor training of officers responsible for the storage, purchase and management of chemicals

**Consequences** - Breach of safety regulations - Council not meeting duty of care

**Treatment** : WS to review chemical register each month. Implement a reporting procedure

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Possible **Rating** : Moderate

**Consequence** : Critical **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Current process and procedures not documented

---

***Risk Solution : Safe operating procedure for use of chemicals exists as well as a chemicals register***

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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP44
<b>Risk Category</b>	<b>Human Safety and Well-being</b>
<b>Risk</b>	Unsuitability of plant and equipment for staff to perform their duties

---

### **Initial Risk Assessment**

**Likelihood** : Unlikely **Rating** : low  
**Consequence** : Major **Last Changed** : October 2016  
**Causes** : Regular review of resources and their suitability to purpose not undertaken  
**Consequences** - Staff discontent and reduction of services or service level  
**Treatment** : Annual review of Asset Maintenance and replacement program to be scheduled

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :  
**Consequence** : **Last Changed** :  
**Effectiveness of Controls** :  
**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Unlikely **Rating** : low  
**Consequence** : Major **Last Changed** : October 2016  
**Effectiveness of Controls** :  
**Future Controls** : Next review of Asset Maintenance is underway - Steering committee appointed June 2015

---

***Risk Solution : Ensure operator requirements are included as part of procurement process for plant and equipment***

---

<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP36
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Non compliance of on-road regulations and - chain of responsibility

---

### **Initial Risk Assessment**

**Likelihood** : Rare **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Causes** : Lack of training and understanding of requirements and chain of command requirements

**Consequences** - Breach of safety regulations - Council not meeting duty of care

**Treatment** : Monthly plant report to check scheduled services are undertaken and complete

---

### **Revised Risk Assessment**

**Likelihood** : **Rating** :

**Consequence** : **Last Changed** :

**Effectiveness of Controls** :

**Existing Controls** :

---

### **Future Risk Assessment**

**Likelihood** : Rare **Rating** : Moderate

**Consequence** : Major **Last Changed** : October 2016

**Effectiveness of Controls** :

**Future Controls** : Monthly odometer reviewed and validated against services - Mechanic maintains manual records for servicing of other equipment

---

***Risk Solution : Ensure it is well documented where the Shire fits in the Chain of Responsibility***

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<b>Directorate</b>	<b>Works</b>
<b>Risk Code</b>	OP40
<b>Risk Category</b>	<b>Shire Reputation and Governance</b>
<b>Risk</b>	Maintenance records for plant and machinery not kept in accordance with manufacturers specifications and OHS legislation

---

### **Initial Risk Assessment**

**Likelihood :** Unlikely **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Causes :** Poor staff training and supervision to ensure both practical and documentation is complete

**Consequences -** Breach of safety regulations - Council not meeting duty of care

**Treatment :** Monthly plant report to check scheduled services are undertaken and complete

---

### **Revised Risk Assessment**

**Likelihood :** **Rating :**

**Consequence :** **Last Changed :**

**Effectiveness of Controls :**

**Existing Controls :**

---

### **Future Risk Assessment**

**Likelihood :** Unlikely **Rating :** Moderate

**Consequence :** Major **Last Changed :** October 2016

**Effectiveness of Controls :**

**Future Controls :** Current process and procedures not documented

---

***Risk Solution : Ensure maintenance records for plant and machinery are kept and easily accessible***