



CONFIRMED

MINUTES

Audit Committee Meeting

14 March 2023

1.00pm

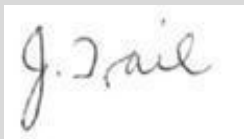
**Kambalda Recreation Centre, Barnes Drive,
Kambalda**

SHIRE OF COOLGARDIE

NOTICE OF AUDIT COMMITTEE MEETING

Dear Elected Member

The next Audit Committee Meeting of the Shire of Coolgardie will be held on Tuesday 14 March 2023 commencing at 1.00pm.

A rectangular box containing a handwritten signature in black ink that reads "J. Trail".

JAMES TRAIL
CHIEF EXECUTIVE OFFICER

DISCLAIMER

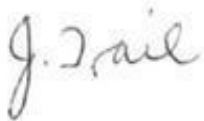
INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

PLEASE NOTE:

THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.

THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.



James Trail
CHIEF EXECUTIVE OFFICER

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**MINUTES OF SHIRE OF COOLGARDIE
AUDIT COMMITTEE MEETING
HELD AT THE KAMBALDA RECREATION CENTRE, BARNES DRIVE, KAMBALDA
ON TUESDAY, 14 MARCH 2023 AT 1.00PM**

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Shire President, Malcolm Cullen, opened the meeting at 1:03pm and welcomed his fellow Councillors and staff, and thanked them for their attendance.

2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

PRESENT:

Cr Malcolm Cullen (President), Cr Tracey Rathbone (Deputy President), Cr Rose Mitchell, Cr Kathie Lindup, Cr Tammee Keast

IN ATTENDANCE:

James Trail (Chief Executive Officer), Robert Hicks (Deputy Chief Executive Officer), Rebecca Horan (Manager of Executive Services), John Ravlic (Commercial Services Consultant), Francesca Lefante (Planning Consultant), Bree Crawley (Community Development Team Leader), Kasey Turner (Administration Officer)

APOLOGIES

Cr Sherryl Botting

LEAVE OF ABSENCE

Nil

3 DECLARATIONS OF INTEREST

3.1 Declarations of Financial Interests – Local Government Act Section 5.60A

3.2 Declarations of Proximity Interests – Local Government Act Section 5.60B

Chief Executive Officer, James Trail, declared a Financial Interest in Item 5.2.2, Credit Card Listing from November 2022 to January 2023

3.3 Declarations of Impartiality Interests – Shire of Coolgardie Code of Conduct for Council Members, Committee Members and Candidate for Election, Code of Conduct for Employees

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

4.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 22 DECEMBER 2022

Date: 8 March 2023

Author: Kasey Turner, Administration Officer

ATTACHMENTS

Nil

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Minutes of the Audit Committee Meeting held on 22 December 2022 be confirmed as a true and accurate record.

AUDIT COMMITTEE RESOLUTION #46/2023

Moved: Cr Tracey Rathbone

Seconded: Cr Tamme Keast

That the Minutes of the Audit Committee Meeting held on 22 December 2022 be confirmed as a true and accurate record.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tamme Keast

Against: Nil

CARRIED 5/0

5 REPORTS OF OFFICERS

5.1 Executive Services

5.1.1 OFFICE OF THE AUDITOR GENERAL (OAG) - INFORMATION SYSTEMS AUDIT REPORT 2022

Location: Shire of Coolgardie

Applicant: NIL

Disclosure of Interest: NIL

Date: 23 February 2023

Author: Rebecca Horan, Co-Ordinator of Major Projects, Human Resources & Governance

SUMMARY

That the Audit Committee note the updated status of the recommendations in relation to the OAG Report – Information Systems Audit Report 2022.

BACKGROUND

The Audit Committee at its meeting held in September 2022 resolved the following:-

AUDIT COMMITTEE RESOLUTION AND OFFICER RECOMMENDATION

That

1. The Audit Committee note the advice provided by the CEO in relation to the recent OAG Report – Information Systems Audit Report 2022.
2. The CEO provide a further report to a subsequent Audit Committee, and Council, regarding action taken to address and implement recommendations relevant to the Shire administration which have not been addressed as at the date of this report.

COMMENT

In the 2022/2023 budget, Council provided an allocation of \$50,000 for the implementation of the recommendations within the OAG Report. Shire staff in conjunction with out IT providers have rolled out some key security systems to exist alongside some current measures.

Any Risks that still exist from this report will be entered and monitored through Pulse, the Shire's Risk Reporting Software.

Managed Endpoint Protection

a comprehensive enterprise security platform that provides threat detection, hunting, and response features that enable organizations to discover vulnerabilities and protect IT operations.

Patch Management and Monitoring Tool

RMM solution that gives you complete access and control over agent and agentless devices across your entire network. You can remotely access endpoint devices, either manually or automatically, without disrupting users while you resolve performance and/or security-related issues. This service includes patch management along with over 10,000 scripts to address recurring issues that have been identified and can be resolved with zero touch.

Advanced Email Filtering

Help prevent a wide variety of volume-based and targeted attacks, including business email compromise, credential phishing, ransomware, and advanced malware with a robust filtering stack.

Phishing Campaign with Training and Awareness

Platform - 1 x campaign per year.

An integrated platform to deliver simulated phishing attacks and security awareness training campaigns to your organizations staff. This platform is designed to improve cyber resilience and guard against phishing threats.

Dark Web Domain Monitoring

combines human and machine intelligence with powerful search capabilities to scour the dark web to identify, analyze and proactively monitor for an organization's compromised credentials 24/7/365, alerting you to trouble fast.

System Information & Event Management (SIEM)

Our SIEM solution ensures System Information and Event data is captured and monitored to ensure compliance, security and reporting on all potential, and real threats that are identified within an organisation. The data for these events is stored and can be accessed for audit requirements and houses a Security Operations Centre (SOC) to enable triage and escalations.

Single Sign On

Utilise a Single Sign On platform for your organisation, this 'single pane of glass' view of all business applications houses encrypted and secure password management and sign on capabilities. This combines business efficiencies with Security as it enables organisations to effectively allocate applications to relevant staff while the security of complex passwords are managed centrally

CONSULTATION

CEO, James Trail

Integrated ICT

STATUTORY ENVIRONMENT

NIL

POLICY IMPLICATIONS

It is possible that an outcome of the assessment of the issues in the report will lead to some changes to internal policies and procedures.

FINANCIAL IMPLICATIONS

Not possible to determine any financial implications at this stage but it is possible to ensure compliance with the OAG recommendations that there may be financial implications, which if unbudgeted will be reported to Council for determination.

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. OAG Report - Information Systems Audit Report - Status Update

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Audit Committee note the updated status of the recommendations in relation to the OAG Report – Information Systems Audit Report 2022.

MOTION

Moved: Cr Rose Mitchell

Seconded: Cr Tracey Rathbone

That the Audit Committee note the updated status of the recommendations in relation to the OAG Report – Information Systems Audit Report 2022.

In Favour: Nil

Against: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

LOST 0/5

OFFICER RECOMMENDATION

That Council ACCEPT the alternate Officer Recommendation for consideration.

ALTERNATIVE RECOMMENDATION

That the Audit Committee: -

1. Note the updated status of the recommendations in relation to the OAG Report – Information Systems Audit Report 2022.
2. Request the CEO to provide an update on the issues identified in the OAG report inclusive of actions and responsibilities.

OFFICER RECOMMENDATION

That Council RESOLVES to accept the alternate Officer Recommendation.

AUDIT COMMITTEE RESOLUTION #47/2023

Moved: Cr Rose Mitchell

Seconded: Cr Kathie Lindup

That Council RESOLVES to accept the alternate Officer Recommendation.

That the Audit Committee: -

3. Note the updated status of the recommendations in relation to the OAG Report – Information Systems Audit Report 2022.
4. Request the CEO to provide an update on the issues identified in the OAG report inclusive of actions and responsibilities.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

Against: Nil

CARRIED 5/0

OAG Report

Information Systems Audit Report 2022 – Local Government Entities

June 2022

Updated status/compliance as of 23rd February 2023

Background

INFORMATION SYSTEM AUDIT REPORT 2022 – LOCAL GOVERNMENT ENTITIES

“This report has been prepared for submission to Parliament under the provisions of section 24 of the Auditor General Act 2006. Information systems audits focus on the computer environments of entities to determine if these effectively support the confidentiality, integrity and availability of information they hold.

This is the third local government annual information systems audit report by my Office.

The report summarises the results of our 2021 annual cycle of information systems audits across a selection of 45 local governments.”

Issue	OAG Comment	SoC status/compliance
<p>Information security</p>	<p>Cyber intrusions are becoming more sophisticated and frequent. Transitioning to digital services to achieve efficiencies increases the risk profile of many entities. Protection of sensitive and critical information that entities hold within their financial and operational systems should be managed with the highest priority using better practice information security controls to mitigate risks.</p> <p>Our GCC audits and capability maturity assessments assess against better practice controls for information and cyber security.</p> <p>Common weaknesses we found included:</p> <ul style="list-style-type: none"> • Inadequate information and cyber security policies – policies did not sufficiently cover key areas of information and cyber security or were out of date. 	<p>Shire of Coolgardie now have a formalised information Security Policy.</p> <p>There is a Single Sign On (SSO) solution being implemented. This is a full identity management platform.</p> <p>Administrator/ Privileged accounts are separated. There are no users with Admin rights.</p> <p>CVSS is managed via Remote Management and Monitoring system.</p> <p>Network is segmented with voice/data/server VLANS in place. Also each site is physically separated with a router.</p> <p>Discussions taking place around DLP.</p>

	<ul style="list-style-type: none"> • Multifactor authentication not used – a number of systems did not have multifactor authentication to strengthen access. • Administrator privileges not managed well – administrators did not have separate unprivileged accounts for normal day to day tasks. Limiting privileges and separating administrative accounts are important mitigations against network and system compromise. • Vulnerability management is not effective – entities did not have appropriate processes to identify and address vulnerabilities, which increases the risk of compromise. • Network segregation not appropriate – networks were not segregated to limit and contain the impact of a compromise. Partitioning the network into smaller zones and limiting the communication between these zones is an important control. • Unauthorised device connectivity – there are a lack of controls to detect or prevent unauthorised devices from connecting to entity internal networks. These devices can serve as an attack point and spread malware or listen in on network traffic. • Emails not protected – entities did not have controls to ensure the integrity and authenticity of emails to reduce the likelihood of successful phishing attacks. Controls such as domain-based message authentication reporting and conformance (DMARC), sender policy framework (SPF) and domain keys identified mail (DKIM) were not implemented to prevent email impersonation. • Lack of data loss prevention controls – no processes to detect or block unauthorised transfers of sensitive data outside of the entities. 	
Recommendations	a. Senior executives should implement appropriate policies and procedures to ensure the security of information systems and support their entity business objectives.	Policies are being prepared and reviewed.

	<p>b. Management should ensure good security policies and practices are implemented and continuously monitored for control areas identified in Figure 5, including:</p> <ul style="list-style-type: none"> i) patching and vulnerability management ii) application hardening and control iii) implement technical controls to prevent impersonation and detect/prevent phishing emails iv) strong passphrases/passwords and multi-factor authentication v) limit and control administrator privileges vi) segregate network and prevent unauthorised devices vii) secure cloud infrastructure, databases, email and storage, and know clearly 'who' they are handing entity and citizen data to through their use of cloud services viii) cyber security monitoring, intrusion detection and protection from malware. 	<p>Patching and Vulnerability management is in place.</p> <p>Application hardening is available, ongoing discussions with applications to allow. IDS/IPS at firewall level.</p> <p>Strong Pass Phrases are in place.</p>
Business continuity	<p>Common weaknesses we found included:</p> <ul style="list-style-type: none"> • Lack of business continuity and disaster recovery plans – entities did not have appropriate business continuity and disaster recovery plans, or they were out-of-date. • Disaster recovery plans not tested – without appropriate testing of disaster recovery plans, entities cannot be certain the plan will work when needed. 	<p>A Disaster Recovery Plan is in place and tested annually.</p> <p>Changes are to be implemented in next FY to move DR to cloud provider.</p>
Recommendations	<p>Entities should have appropriate business continuity, disaster recovery and incident response plans to protect critical systems from disruptive events. These plans should be periodically tested.</p>	<p>A Disaster Recovery Plan is in place however we are seeking proposals for a Business Continuity Plan.</p>
Management of IT risks	<p>Common weaknesses we found included:</p> <ul style="list-style-type: none"> • Out-of-date policies and processes to identify, assess and treat IT risks – without appropriate policies and processes entities cannot effectively manage their IT risks. • Inadequate risk registers – risk registers did not record controls and treatment action plans and risk ratings were not appropriately assessed. 	<p>*Updated Information Security Policy has been developed.</p>

Recommendations	Entities should: a. understand their information assets and apply controls based on their value	Risks are now added and monitored through the risk module in Pulse and are reported on quarterly.
	b. ensure IT risks are identified, assessed and treated within appropriate timeframes. Senior executives should have oversight of information and cyber security risks.	
IT operations	Common weaknesses we found included: <ul style="list-style-type: none"> • Processes are not defined – a lack of or out of date procedures to support day to day operations, such as incident and problem management. • Inadequate monitoring of events – entities did not have policies and procedures to monitor event logs. System logs provide an opportunity to detect suspicious or malicious behaviour in key business applications. • Supplier performance not monitored – supplier performance was not reviewed to identify and manage instances of non-compliance with agreed service levels. • Background checks for new starters were not performed – staff in privileged IT positions did not go through background checks (e.g. police clearance). • Access was not reviewed – regular checks were not done to validate users had the level of access to systems applicable to their role or function, and revoke user access upon termination. 	Processes being defined, new processes include: Information Security Policy, Mandatory Data Breach Policy, Data Breach notification letter, Malware Data Breach Process. Data Breach Review process. SIEM solution now implemented and managed by 24/7/365 SOC. Police Clearances are required before employment. Regular access review to be implemented. A review was carried out recently to ensure data access is controlled.
Recommendations	Entities should implement policies and procedures to guide key areas of IT operations such as incident management and supplier performance monitoring.	Policies are currently being prepared and reviewed.
Change control	Common weaknesses we found included:	Change Process Managed by Service Desk. This is provided by our ICT Managed Services Provider.

	<ul style="list-style-type: none"> • Change processes not followed – changes to critical systems did not follow change procedures. If formal procedures are not followed, there is a risk changes may be applied inconsistently resulting in unplanned system downtime and interruption to critical services. • Change management processes not documented – without documented processes, changes made to IT infrastructure can adversely affect entities’ operations leading to unplanned or excessive system downtime. • Changes were not assessed prior to implementation – allowing significant changes without appropriate scrutiny or approval increases the risk of system outages. 	
Recommendations	Approved change control processes should be consistently applied when making changes to IT systems. All changes should go through planning and impact assessment to minimise the occurrence of problems. Change control documentation should be current and approved changes formally tracked	As above
Physical security	<p>Common weaknesses we found included:</p> <ul style="list-style-type: none"> • Combustible and non-essential items were stored in server rooms – the risk of outages is higher if server rooms are not appropriately maintained. • Unnecessary access to server rooms – staff and contractors were assigned access to server rooms that they did not require and visitor access to server rooms was not logged. Lack of controlled access increases the risk of system outages and compromise from unauthorised access. • Fire suppression systems were not installed – without appropriate fire suppression systems, IT infrastructure is likely to be damaged in the event of a fire. 	<p>Servers are hosted in a Tier 3 Data Centre. All access is secured with CCTV footage.</p> <p>Fire suppression included with Tier 3 Facility.</p>
Recommendations	Entities should develop and implement physical and environmental control mechanisms to prevent unauthorised access, or accidental or environmental damage to IT infrastructure and systems	As above

5.1.2 RISK AREA SUMMARY

Location: All areas

Applicant: Nil

Disclosure of Interest: Nil

Date: 8 December 2022

Author: Rebecca Horan, Co-Ordinator of Major Projects, Human Resources & Governance

SUMMARY

That the Audit committee receive the risk area summary report as attached and recommend that the report be received by Council.

BACKGROUND

Shire staff have been working together to collate all Shire of Coolgardie (SoC) risks into a risk register. In order to assist this process, the SoC has purchased an Enterprise Risk Management software – PULSE.

Management staff have been trained to use the system and all risks have been entered into PULSE. Staff will be able to report to the Audit committee quarterly or as requested.

Councillors, the Deputy CEO and Coordinator Projects, Governance and HR attended a workshop on the 24th January 2023 to go through each of the risks. The workshop provided Councillors with the opportunity to raise any queries or concerns.

The attached Risk Area Summary report has since been updated to include Councillors feedback.

COMMENT

All risks have been entered into the PULSE system and those risk owners are to action them accordingly.

CONSULTATION

Management Staff

STATUTORY ENVIRONMENT

Local Government (Audit) Regulation 17

POLICY IMPLICATIONS

Policy Number 2.12 Occupational Safety and Health

Policy 2.6 Risk Management

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Risk Area Summary

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That Audit Committee RECEIVE the Risk Area Summary report as attached and RECOMMEND the report be received by Council.

AUDIT COMMITTEE RESOLUTION #48/2023

Moved: Cr Tracey Rathbone

Seconded: Cr Tammee Keast

That Audit Committee: -

1. RECEIVE the Risk Area Summary report as attached and RECOMMEND the report be received by Council.
2. REQUEST an updated Risk Area Summary Report to be present to an Audit Committee Meeting by the 31 March 2023.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

Against: Nil

CARRIED 5/0



Risk Area Summary



RISK AREA: Executive Services

Risk: Shire Community - Strategic Plan

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
5	The Local Government's Integrated Planning and Reporting Standard directs that all local governments undertake a Desktop Review of their Community Strategic Plans biannually and a complete review including community engagement activities every four years. As the Shire of Coolgardie's community trends and priorities evolve, stakeholders revise and update the Plan.	Shire Community - Strategic Plan	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
The Shire has continuous monitoring mechanisms to be informed of its performance to deliver to the Community Strategic Plan	Robert Hicks	Ongoing

Risk Control ■ ■ ■ ■



Risk: Shire Elections

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
7	The Shire to ensure that has the expertise to manage the upcoming elections to ensure that it is conducted in accordance to the WA Electoral Commission.	Shire Elections	Strategic	Rebecca Horan

Risk Controls

Control	Control Owner	Status
1. A timeline of key activities and deliverable's has been developed to ensure that action owners have been assigned and there are clear instructions as to required tasks. 2. Roles and responsibilities re: administration of the October elections are established and assigned to individuals to ensure accountability. 3. Review to list other mitigating controls.	Rebecca Horan	Ongoing

Risk Control ■ ■ ■ ■



Risk: Employee Appointment Procedures (Moore ref no 7.3.1)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
133	Through our limited testing, we noted instances where not all employees had position descriptions for their assigned roles. Where position descriptions were in place, employees were not required to sign the document acknowledging their commitment to the duties and responsibilities assigned to the role.	Employee Appointment Procedures (Moore ref no 7.3.1)	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. This is ongoing and needs to be considered in the context of workforce challenges.	Rebecca Horan	Ongoing

Risk Control





Risk: Payroll Processing, Exception Reporting, Authorisation and Employee Masterfile Setup (Moore ref no 7.3.4)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
139	<p>Through our limited testing, we noted breakdowns in systems and controls relating to payroll processing, authorisation and the setup of employee details. We noted the following matters in particular:</p> <ul style="list-style-type: none"> • Where regulated award increases are required, employees are not notified of the change to their agreed remuneration entitlements, and increases to be applied are advised by employees without the requisite independence or authority to advise changes; • A novated lease arrangement has been entered into which may not align with employee contract provisions; • The officers responsible for processing and reviewing payroll are tasked with review and capture of employee entitlements, allowances, deductions, etc. Reliance is placed on these officers to remember individual details and identify any errors when reviewing payroll reports for authorisation for payment. • Instances where allowances had not been paid in accordance with contract provisions; and • Pay rates and superannuation contributions did not always agree to employment contracts and other authorised correspondence on employee files. 	Payroll Processing, Exception Reporting, Authorisation and Employee Masterfile Setup (Moore ref no 7.3.4)	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. Process will be reviewed by December 2022.	Corina Morgan	Progressing

Risk Control ■ ■ ■ ■



Risk: Payroll reconciliations (Moore ref no 7.3.5)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
141	We noted the most recent reconciliation for payroll did not balance, and no reconciliations for payroll have occurred since January 2022.	Payroll reconciliations (Moore ref no 7.3.5)	Operational	Corina Morgan

Risk Controls

Control	Control Owner	Status
Payroll reconciliation reports have been a n issue since the implementation of Definitiv. Shire currently working with IT Vision to resolve the matter.	Corina Morgan	Progressing

Risk: Staff Training (Moore ref no 7.3.7)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
145	Planned and required staff training needs for employees are currently identified and recorded in a central training matrix for some operational areas/departments. Further value from this initiative can be added through refining the current matrix toward a more formal required staff training structure, applied throughout the organisation.	Staff Training (Moore ref no 7.3.7)	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. Training matrix will be considered.	Rebecca Horan	Progressing

Risk Control ■ ■ ■ ■



Risk: Contractor Insurance (Moore ref no 7.4.1)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
147	Contractors' insurances are not always assessed prior to award of contracts in all cases. Reliance is placed on contract managers to ensure copies of insurances are provided.	Contractor Insurance (Moore ref no 7.4.1)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Agreed. Will review process.	Rebecca Horan	Progressing

Risk: Monthly Statement of Financial Activity (Moore ref no 8.1.3)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
166	Council resolution #83/2022 in April 2022 approved a budget amendment to increase expenditure at account C12901. This amendment was not noted in subsequent monthly statement of financial activity reports presented to Council for adoption.	Monthly Statement of Financial Activity (Moore ref no 8.1.3)	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
Noted. One off budget amendments to be implemented with 30 days of being endorsed by Council.	Robert Hicks	Ongoing

Risk Control ■ ■ ■ ■



Risk: List of Payments (Moore ref no 8.1.4)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
168	<p>Council resolutions to consider the payments made under delegated authority did not always accurately reflect the payments made since the last meeting. This included:</p> <ul style="list-style-type: none"> • cheque payments not being included in the total consideration (list of accounts paid December 2021, January 2022, April 2022 and June 2022) • incorrect payment references (cheques and/or EFT) included in recommendation and resolution (list of accounts paid November 2021, • direct debit payments not being included in the total consideration (list of accounts paid December 2021, January 2022, February 2022, March 2022 and June 2022) • some payments made were omitted from the list of accounts paid from the municipal fund presented for Council consideration (list of accounts paid December 2021, February 2022 & April 2022); and • incorrect payment total, cheque numbers and EFT references included in recommendation and resolution (list of accounts paid May 2022). 	List of Payments (Moore ref no 8.1.4)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
<p>Noted. More care needs to be taken to ensure monthly payments endorsed by Council are a true and correct record payments made for that month.</p>	Corina Morgan	Ongoing

Risk Control ■ ■ ■ ■



RISK AREA: Operations

Risk: Harassment when Working Alone

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
24	There is a current risk when working alone of getting harassed by patrons with no procedure on what to do in case of an emergency.	Harassment when Working Alone	OSH	Kathy Brooking

Risk Controls

Control	Control Owner	Status
Lucy to discuss further with Nic in regards to whether we need a separate procedure in the OHS Manual.	Kathy Brooking	Not Started

Risk: Internal Audit for Waste and Works Departments

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
26	Safety Audit to be conducted onsite with Employee's working through each task with the OHS Advisor and OHS Rep (Lucy)	Internal Audit for Waste and Works Departments	OSH	Kathy Brooking

Risk Controls

Control	Control Owner	Status
Internal Department Safety Audits undertaken every 12 months.	Kathy Brooking	Not Started

Risk Control ■ ■ ■ ■



Risk: All Employee's not having adequate Position Descriptions (PDs)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
27	Some employee's are not undertaking tasks relevant to their position and Managers are consistently finding it difficult to Manage some staff members.	All Employee's not having adequate Position Descriptions (PDs)	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Up to Date PD's are to be put in place 360 degree Performance Reviews across the organisation JSA's relating to tasks all updated and signed off on	Rebecca Horan	Ongoing

Risk: Records Room - Fire Risk

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
31	Fire Risk for all records - Access, limited to authorised officers - Room itself requires fire proofing.	Records Room - Fire Risk	Operational	Kathy Brooking

Risk Controls

Control	Control Owner	Status
Fire extinguisher to the left of the printer. Smoke detectors are fitted in the room on the ceiling. LGIS to undertake fire evacuation system and processes - undertaken November 2020 (check records)	Kathy Brooking	Ongoing

Risk Control ■ ■ ■ ■



Risk: Staff Cross Training

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
32	- multi skilling staff to cover staff vacancies - upskilling of staff to ensure minimal disruption to continuity of business services	Staff Cross Training	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
A number of staff have the skills and knowledge to cover a range of positions within the organisation, this is mainly within their own departments but can be crossed over if essential. Work place procedures helps assist with this. Staff have been participating in a number of training and information sessions to upskill. These include first aid, excel, leadership courses, procurement webinars etc	Rebecca Horan	Ongoing

Risk: IT Reliability

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
33	- Servers going down - Hacks	IT Reliability	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Running dark web monitoring for account compromises. Running Trend Worry Free security on all clients servers for protection. Recommend increase password security by advancing password policy to + complexity	Rebecca Horan	Ongoing

Risk Control ■ ■ ■ ■



Control	Control Owner	Status
min 12 characters. Backup retention of 30 days with Disaster recovery replicas created daily also with 7 day retention.		

Risk: Performance Review Records

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
37	Ensure written records of performance and non performance are retained for employees for supporting evidence.	Performance Review Records	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Management team are reminded on a regular basis of the importance of performance management and the need for keeping notes/records on any discussions had with their staff. Keeping of notes/records ensures a smooth process if we need to discipline which may lead to termination.	Rebecca Horan	Ongoing

Risk Control ■ ■ ■ ■



Risk: Training - Machinery and plant usage

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
41	Inadequate training may result in damage to plant equipment, serious injury/impairment to worker or others.	Training - Machinery and plant usage	OSH	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Adherence to SOC policies OHS practices Supervision of employees by Leading Hand/Supervisor Uniqco Standard Operating Procedures (SOP)	Rebecca Horan	Ongoing

Risk: Footpaths

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
42	Broken footpaths create risk of trips/falls they negatively impact (visually) on streetscape.	Footpaths	Operational	Barry Donkin

Risk Controls

Control	Control Owner	Status
Implementation of SOC footpath program Budget allocated Public complaints 06March2020 Manager Tech Services to review footpath program and report to DO	Barry Donkin	Ongoing

Risk Control ■ ■ ■ ■



Risk: Capturing accurate visitor statistics

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
46	Capturing of accurate visitor statistics. This will give us the ability to gauge whether there are increases in visitor numbers. Capturing accurate information on visitor postcodes and age demographic will allow us a more targeted approach to promoting the Shire as a tourism destination.	Capturing accurate visitor statistics	Operational	Katherine Fox

Risk Controls

Control	Control Owner	Status
<ul style="list-style-type: none"> - Statistics are captured manually for paid entry fees and walk in visitors. - Optional visitor survey to capture postcodes / age demographics kept on counter - Currently have door counter, but results are inaccurate. 		Ongoing

Risk Control ■ ■ ■ ■



Risk: Plant & Fleet Purchasing and Usage

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
50	Purchase of incorrect plant/fleet, Incorrect use of plant/fleet, Damage to plant/fleet: Will effect budget, project timelines ultimately may cause risk of injury to operator/others.	Plant & Fleet Purchasing and Usage	Operational	Barry Donkin

Risk Controls

Control	Control Owner	Status
Uniqco (fleet) managment (eg input into recommended purchases, use of pre-start forms etc) Regular servicing/maintenance performed by SOC mechanic other service providers 06March2020 Better management control required. Manager Tech Service to review and report to DO	Barry Donkin	Ongoing

Risk Control ■ ■ ■ ■



Risk: Swimmig Pool - Underage Children

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
55	Code of practice requires children under the age of 11 to be accompanied by a person over the age of 16 Children under the age of 5 must have a person over the age of 16 within arm's reach at all times while in the water.	Swimmig Pool - Underage Children	Operational	Kathy Brooking

No associated controls.

Risk: Pool Chemicals - Safe handling procedures

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
58	Establishing and maintaining a sound chemical safety policy not only saves human lives and protects the environment but also avoids fines and penalties. Any activity involving chemicals must be done in a manner that complies with predetermined and approved procedures that ensure the protection of staff, the environment and the community.	Pool Chemicals - Safe handling procedures	OSH	Kathy Brooking

Risk Controls

Control	Control Owner	Status
Staff trained in use of chemicals Chemical storage on bunding with separation of hazardous substances MSD folder current and staff have an understanding of all chemicals in workplace	Kathy Brooking	Ongoing

Risk Control ■ ■ ■ ■



Risk: Policy 1.04 Investment of Surplus Funds (Moore ref no 6.2.2)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
84	The investment register required by the policy (and required to support control procedures required by regulation 19 of the Local Government (Financial Management) Regulations 1996 was not available for our review.	Policy 1.04 Investment of Surplus Funds (Moore ref no 6.2.2)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
Investment register to be established and maintained.	Corina Morgan	Not Started

Risk: Policy 1.04 Investment of Surplus Funds (Moore ref no 6.2.2)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
87	Evidence to support an annual investment report being prepared for Council consideration, reviewing the performance of investments as required by the policy, was not available for our review.	Policy 1.04 Investment of Surplus Funds (Moore ref no 6.2.2)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
Annual Report to be established	Corina Morgan	Not Started

Risk Control ■ ■ ■ ■



Risk: Policy 1.05 Procurement (Moore ref no 6.2.3)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
89	The policy provides limited direction regarding contract variations and extensions awarded or against a written specification not awarded by tender. Extension of contracts and associated price changes are also not covered by the policy. For contracts awarded by tender, legislation provides minimum requirements.	Policy 1.05 Procurement (Moore ref no 6.2.3)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Will be reviewed as part of the policy manual review	Rebecca Horan	Progressing

Risk: Workforce Plan (Moore ref no 7.1.1)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
96	Evidence of review of the Workforce Plan 2013-2022 was not available for our review, and the plan is now out of date. Although there is no statutory obligation to adopt the plan, it is required by the DLGSC Integrated Planning and Reporting Advisory Standard (September 2016) to be in place, and to inform the Corporate Business Plan and annual budget.	Workforce Plan (Moore ref no 7.1.1)	Strategic	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Ravim to be engaged to review the Workforce Plan.	Rebecca Horan	Progressing

Risk Control ■ ■ ■ ■



Risk: Asset Management Plan (Moore ref no 7.1.2)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
97	The Asset Management Plan 2020-2040 was prepared in June 2020. The plan does not meet the standards set within the DLGSC Integrated Planning and Reporting Advisory Standard (September 2016), as required asset data could not be identified to calculate financial ratios.	Asset Management Plan (Moore ref no 7.1.2)	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
Will be reviewed and updated by June 2023.		Not Started

Risk: Corporate Business Plan (Moore ref no 7.1.3)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
99	The plan includes a section titled 'risk management' which refers to a superseded risk management standard. The Corporate Business Plan has not been reviewed annually as required by Local Government (Administration) Regulations 1996 19DA (4). A draft plan is being prepared and is yet to be considered by Council.	Corporate Business Plan (Moore ref no 7.1.3)	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
Corporate Business Plan to be reviewed and presented to Council with 3 months of the Annual Budget being adopted.	Robert Hicks	Not Started

Risk Control ■ ■ ■ ■



Risk: Business Continuity & Disaster Recovery Plan (Moore ref no 7.1.4)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
100	A Disaster Recovery Plan was prepared in 2020 and most recently tested in 2022, primarily focussed on ICT systems. Although ICT systems are an important element to business recovery in the event of a major business disruption, it is only one element to be considered within business continuity planning.	Business Continuity & Disaster Recovery Plan (Moore ref no 7.1.4)	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
LGIS to be engaged to undertake this task	Rebecca Horan	Progressing

Risk: ICT Strategic Plan (Moore ref no 7.1.5)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
101	An ICT Plan highlighting and addressing ICT risks and how they are to be addressed was not available for inspection.	ICT Strategic Plan (Moore ref no 7.1.5)	Strategic	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Market Creation to be engaged to undertake this task by June 2023.	Rebecca Horan	Progressing

Risk Control ■ ■ ■ ■



Risk: Risk Management Procedures (Moore ref no 7.2.1)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
103	Risk management activities currently undertaken are largely undocumented and are sometimes performed independently within individual departments. Some of these activities may not align with the Shire's Risk Management Policy and Framework, including periodic reporting to the Audit and Risk Committee.	Risk Management Procedures (Moore ref no 7.2.1)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Pulse / LGIS engaged to develop and maintain procedures by June 2023.	Rebecca Horan	Progressing

Risk: Operational Procedures (Moore ref no 7.2.2)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
104	Procedures are not formalised for some key operational functions throughout the Shire. Workflow process diagrams, checklists and documented procedures may assist to create a visual representation of a process, clearly identifying key points of control and responsibility to be evidenced and independently reviewed.	Operational Procedures (Moore ref no 7.2.2)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. This is a considerable body of work that is an ongoing process.	Rebecca Horan	Ongoing

Risk Control ■ ■ ■ ■



Risk: Procedures at Shire Facilities (Moore ref no 7.2.3)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
105	Controls in relation to the use of some Shire facilities are considered inadequate. Documented procedures and controls are required to ensure appropriate controls and reconciliations are applied to minimise risks of misuse and breakdowns in key controls occurring.	Procedures at Shire Facilities (Moore ref no 7.2.3)	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
Control processes are being regularly considered and updated.	Robert Hicks	Ongoing

Risk: Record Keeping Practices (Moore ref no 7.2.4)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
106	Based on our enquiries with staff, no regular refresher training for the use of the records system is currently in place to support and direct staff to the appropriate procedures to save records in accordance with the Shire's record keeping plans and policies. This may increase risks associated with compliance with required record keeping controls.	Record Keeping Practices (Moore ref no 7.2.4)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Refresher training will be considered by June 2023.	Rebecca Horan	Progressing

Risk Control ■ ■ ■ ■



Risk: Mid-Year Budget Review (Moore ref no 7.2.6)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
108	The Shire's 2021-22 budget review was presented to Council for adoption on 22 February 2022, with a budget review date noted within the officer's report of 8 February 2022, and accounts being examined for the period ending 31 December 2021. A recent interpretation by DLGSC considers the budget review date to be the period end date of accounts being examined (in this instance, 31 December 2021). To comply with regulations whereby the budget review is considered within 30 days of the review date, the review would have been required to be considered by 30 January 2022. We also noted the 2020-21 mid year budget review was not considered within timeframes required by legislation.	Mid-Year Budget Review (Moore ref no 7.2.6)	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
<p>Review was endorsed by Council within 30 days of management & council review on both occasions in accordance with 33A(2).</p> <p>33A. Review of budget</p> <p>(1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.</p> <p>(2A) The review of an annual budget for a financial year must —</p> <p>(a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and</p> <p>(b) consider the local government's financial position as at the date of the review; and</p> <p>(c) review the outcomes for the end of that financial year that are forecast in the budget.</p> <p>(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.</p> <p>(3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.</p> <p>*Absolute majority required.</p> <p>(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.</p>	Robert Hicks	Progressing

Risk Control ■ ■ ■ ■



Risk: Rates (Moore ref no 7.2.8)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
112	Evidence of routine reviews of rate exempt properties as defined by section 6.26(2)(g) of the Local Government Act 1995 was not available for our inspection.	Rates (Moore ref no 7.2.8)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
Monthly reviews will be undertaken and independently reviewed.	Corina Morgan	Ongoing

Risk: Rate notices and information accompanying rate notices (Moore ref no 7.2.9)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
114	The 2021/22 rate notice and the 2021/22 information accompanying the rate notice did not contain a brief statement that rebates to pensioners and seniors under the Rates and Charges (Rebates and Deferments) Act 1992 are funded by the Government of Western Australia.	Rate notices and information accompanying rate notices (Moore ref no 7.2.9)	Financial	Amy Tregoweth

Risk Controls

Control	Control Owner	Status
Noted and this information will be included in 2022/23 rate notices.	Amy Tregoweth	Ongoing

Risk Control ■ ■ ■ ■



Risk: Bank Reconciliations (Moore ref no 7.2.10)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
116	<p>Reconciliations for the bank were not always conducted in a timely manner from samples selected for our review. Staff representations detail this was being due to the unavailability of key staff to perform the task. Bank reconciliations are a key control and any untimely, non-reconciled bank accounts are considered a high risk to an organisation.</p> <p>We noted at the time of our review, bank reconciliations had been prepared up until April 2022, which included several long outstanding transactions remaining uncleared since at least July 2021.</p>	Bank Reconciliations (Moore ref no 7.2.10)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
<p>Agreed. Currently reviewing processes in order to streamline bank reconciliation process.</p>	Corina Morgan	Progressing

Risk Control ■ ■ ■ ■



Risk: Procurement (Moore ref no 7.2.13)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
120	Through limited testing of payments we noted the following: <ul style="list-style-type: none"> • Instances where the requirements of the purchasing policy had not been adhered to; and • Authorisation for a reimbursement of a prepaid debit card. These types of cards incur a high risk of circumvention of procurement controls and should not be permitted. 	Procurement (Moore ref no 7.2.13)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. This, and other policies are currently being reviewed.	Corina Morgan	Ongoing

Risk Control ■ ■ ■ ■



Risk: Credit Cards (Moore ref no 7.2.14)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
121	Through our testing we noted: <ul style="list-style-type: none"> • a breakdown in internal controls relating to the independent review of credit card transactions; • a transaction where a credit card was used for a transaction which is not permitted under the policy and credit card user agreement; and • an international transaction, which was subsequently cancelled and refunded, however the refund amount was less than the original expense incurred. 	Credit Cards (Moore ref no 7.2.14)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
All credit cards transactions to be independently reviewed each month. Credit card transactions to be independently reviewed each month for appropriateness with Shire's policy. This amounts relates to the international transaction charge which is not refunded when items are returned.	Corina Morgan	Ongoing

Risk Control ■ ■ ■ ■



Risk: Accounts receivable (Moore ref no 7.2.15)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
122	Recovery processed to be documented and independently reviewed to ensure compliance with established policies and procedures.	Accounts receivable (Moore ref no 7.2.15)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
Recovery processed to be documented and independently reviewed to ensure compliance with established policies and procedures.	Corina Morgan	Ongoing

Risk: Overhead & Administration Allocations (Moore ref no 7.2.16)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
124	No formal process is currently in place to determine the allocation of indirect costs. From staff representations, current allocation rates are based on historical estimates and reviewed during budget preparations each year. Our review noted limited monitoring throughout the year and unallocated indirect costs in May 2022, which were being reviewed. Limited periodic monitoring and review of indirect costs and subsequent corrective adjustments may financially impact budgeted works programs.	Overhead & Administration Allocations (Moore ref no 7.2.16)	Financial	Corina Morgan

Risk Controls

Control	Control Owner	Status
Noted. Templates for the monthly review of PWOH, POC & Admin Allocations being implemented.	Corina Morgan	Not Started

Risk Control ■ ■ ■ ■



Risk: Changes to Banking Details (Moore ref no 7.2.18)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
128	The current controls to restrict changes to bank details are considered inadequate. Formal procedures relating to changes to banking details for employees and creditors should be developed to ensure sufficient controls exist in both substantiating the change request and the changes performed within the Shire's ERP system.	Changes to Banking Details (Moore ref no 7.2.18)	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
Noted. Internal controls will be reviewed by June 2023.	Corina Morgan	Progressing

Risk: Procedure Changes (Moore ref no 7.2.19)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
130	Process for amending or changing procedures are not formalised. This creates opportunities for unilateral unauthorised changes to procedures and a breakdown in key controls.	Procedure Changes (Moore ref no 7.2.19)	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
Noted. Process for amending and changing procedures will be considered by June 2023.	Robert Hicks	Not Started

Risk Control ■ ■ ■ ■



Risk: Cyber Security (Moore ref no 7.2.20)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
131	Staff representations noted cyber security training is not routinely undertaken by the Shire.	Cyber Security (Moore ref no 7.2.20)	Financial	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. Will work with IT Consultants to identify suitable training. Staff are kept informed of cyber threats and understand what action(s) should be taken.	Rebecca Horan	Progressing

Risk: Financial Interest Register (Moore ref no 8.2.2)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
174	Our inspection of the financial interest register noted the following matters: <ul style="list-style-type: none"> • Start dates for two relevant persons indicate primary returns have not been completed within three months of the documented start date as required by legislation; • Some returns contained blank fields / incomplete information; • Acknowledgements of a primary return for a relevant person was not recorded in the Financial Interest Register as required by legislation; and • Two primary returns were not available for our review. 	Financial Interest Register (Moore ref no 8.2.2)	Strategic	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted. A review will be undertaken by June 2023.	Corina Morgan	Progressing

Risk Control ■ ■ ■ ■



Risk: Register of Hazardous Materials (Moore ref no 8.2.5)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
183	A register of hazardous materials was not available for our inspection, to reflect properties under the control of the Shire which may contain hazardous materials such as asbestos, and if associated risks have been adequately treated.	Register of Hazardous Materials (Moore ref no 8.2.5)	OSH	Kathy Brooking

Risk Controls

Control	Control Owner	Status
Safety data sheets are on Myosh. Asbestos Register is in place and will be reviewed.	Kathy Brooking	Not Started

Risk: Official Complaints Register (Moore ref no 8.4.1)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
187	The official complaints register is published on the Shire's official local government website as required by section 5.121(3) of the Local Government Act 1995, but does not appear to be current and up to date with the last recorded entry made in November 2010.	Official Complaints Register (Moore ref no 8.4.1)	Operational	Rebecca Horan

Risk Controls

Control	Control Owner	Status
Noted and will be reviewed. Steve Tweedie to provide advice on what an "official complaint" is.	Rebecca Horan	Progressing

Risk Control ■ ■ ■ ■



Risk: Incomplete Asset Register

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
14	Asset Register - no recording of disposal or acquisition data of assets	Incomplete Asset Register	Financial	Robert Hicks

Risk Controls

Control	Control Owner	Status
Core Business /SOC Asset Management Plan in development (refer Oct2019 04Mar2020 workshops) + speaking with AssetFinda (agreement in place however not being utilised well) + Martin Whitely visiting Shire of Dardenup to look at AssetFinda in action and will report to DO.	Robert Hicks	Progressing

Risk: Bush Fires

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
15	Shire has a duty of care and responsibility to protect the town in the event of a fire. This bush fire season has 1 major bush fire in Dec and 2 others within 7 weeks - Shire has responsibility for xxx (need to outline exact role and responsibility (ie Bush Fire Act) - Shire Policies xxx require the to do xxxx - CEO has delegated authority to incur expenditure to control and extinguish bush fires	Bush Fires		Robert Hicks

No associated risks

Risk Control ■ ■ ■ ■



Risk: Budgeting for Roads Programme

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
16	<p>Roadworks programme is difficult to budget, manage and keep within planned budgets due to the uncertainty in government funding.</p> <p>The identified risks and resulting impacts are:</p> <ul style="list-style-type: none"> - incomplete road projects which may have potential to compromise road safety - increased future maintenance costs - increased overall costs - challenge in managing labour effectively and efficiently 	Budgeting for Roads Programme	Strategic	Barry Donkin

Risk Controls

Control	Control Owner	Status
<p>Risk being managed with the following controls:</p> <ul style="list-style-type: none"> - Detailed roads works programme is maintained and reviewed regularly - Roads audits are done to ensure roads are safe (based on haulage campaign) - Monthly reports showing current expenditure - Quarterly budget reviews <p>06March2020 New Manager Technical Service to take on responsibility with support from Roads consultant and reporting to DO weekly + Council briefing reporting. MTS will develop</p>	Barry Donkin	Progressing

Risk Control ■ ■ ■ ■



Risk: Drainage

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
18	Drainage needs to be maintained/renewed to avoid flooding, improve streetscape aesthetic reduce impact on associated works such as footpaths road programmes.	Drainage	Operational	Robert Hicks

Risk Controls

Control	Control Owner	Status
Implementation of drainage, footpath road program Budget allocation Complaints received from public 06March2020 Core Business engaged to provide a proposal to undertake a Coolgardie town site drainage study in order to scope proposed solutions. To be considered into the context of the total streetscape project.	Robert Hicks	Ongoing

Risk Control ■ ■ ■ ■



Risk: Road Works (Construction & Maintenance)

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
19	Inadequate funding resulting in a) minimum works being achieved b) reduction in staff numbers c) inappropriate plant fleet purchases d) budget impact	Road Works (Construction & Maintenance)	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
SOC roads programme SOC budget SOC level of service (LOS) SOC business plan Public complaints 06March2020 Acknowledged that Roads programme has made significant progress in recent times. Manager Tech Service to review and report to DO. 1 May 2020 - 2020/21 roads program priority focus will be Coolgardie North Road. Supply and delivery of gravel negotiations well advanced for possible Aug/Sept project start date.	Barry Donkin	Progressing

Risk Control ■ ■ ■ ■



Risk: Footpath

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
20	Ageing infrastructure (footpath) resulting in trip hazard at Tommy Talbot Park, Coolgardie	Footpath	Operational	Robert Hicks

Risk Controls

Control	Control Owner	Status
SOC Footpath Programme. Photo taken 05/09/19 showing repairs have been made to footpath.	Barry Donkin	Progressing

Risk: Sewage runoff - Coolgardie treatment plant

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
21	By the Coolgardie recreation centre there is a sewage treatment plant that backs onto a residential area. There is no retaining walls to stop possible sewage overflow from containment underground sumps	Sewage runoff - Coolgardie treatment plant		Robert Hicks

Risk Controls

Control	Control Owner	Status
overflow from tanks go through two small pipes into a below ground sewer pipework	Pergy Matsika	Ongoing

Risk Control ■ ■ ■ ■



Risk: Sewage Overflow Response

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
22	Ageing sewerage infrastructure, blockages, line breaks, pumping station power/electrical faults/failures, poor sewerage system design and vandalism. Sewerage infrastructure defects or incorrect onsite plumbing, may allow stormwater intrusion during heavy rainfall events to overwhelm sewerage system capacity. Blockages may be caused by tree roots infiltrating pipes, accumulation of fats, oil and grease, wet wipes, sanitary items, rags, toys etc. being flushed into the toilet system	Sewage Overflow Response		Robert Hicks

Risk Controls

Control	Control Owner	Status
Sewage overflow response procedure Implemented 1. Premeditation:Shire and Health Department Notified and Health Risk Assessment completed. Provision of temporary accommodation for impacted occupants (if applicable) 2. Remediation:Cleaning and Drying,Disinfection 3. Post-remediation:Monitoring,Final decision - "Building is declared fit for habitation" Return of occupants to property (if applicable)	Pergy Matsika	Ongoing

Risk Control ■ ■ ■ ■



Risk: Shire Roads - Renewal Program

Risk Id	Risk Details	Risk Description	Risk Category	Risk Owner
23	Changes in funding make it difficult to efficiently and effectively manage the road projects The identified risks and resulting impacts are: Incomplete road projects which may have potential to compromise road safety increased future maintenance costs increased overall costs challenges in managing labour effectively and efficiently	Shire Roads - Renewal Program	Strategic	Robert Hicks

Risk Controls

Control	Control Owner	Status
1 May 2020 - 2020/21 budget focused on recovery with single purpose of stimulating local economic development through 1 adopting shovel ready projects, 2 progressing capital works, 3 assisting/supporting the community. Gravel supply negotiations are well advanced re: Coolgardie North Road. RRG funding likely to be brought forward early in the new financial year.	Robert Hicks	Ongoing

Risk Control ■ ■ ■ ■

5.1.3 INTERNAL AUDIT REPORTS**Location:** N/A**Applicant:** N/A**Disclosure of Interest:** Nil**Date:** 7 March 2023**Author:** Rebecca Horan, Co-Ordinator of Major Projects, Human Resources & Governance**SUMMARY**

That the Audit Committee receive the attached internal audit reports for Procurement and Risk Management.

BACKGROUND

The Shire appointed Moore Australia as its internal auditor for the three-year period 31 December 2021 to 31 December 2023, with the overall intent to support the Shire to accomplish its objectives and to improve the effectiveness of its risk management, governance, and control processes.

- to assist the Shire to adopt best practice principles.
- perform the internal audit in accordance with the approved Internal Audit Charter, if implemented at the Shire, or the Audit Committee Charter.
- engagement Director and Manager to attend exit interviews with the Audit Committee via teleconference, as required.
- provide relevant internal audit reports to the CEO for presentation to the Audit Committee including audit findings, risks identified, opportunities for improvement and root cause analysis.
- the possible use of data analytics, where relevant to the engagement to discover useful information to inform decision making, assist with identification of fraud and/or error, learn or predict human behaviour, and examining whole population of data, rather than relying on traditional sampling techniques.
- prepare a Strategic Internal Audit Plan at the commencement of the contract for review and approval by the Audit Committee.
- virtual attendance at the Audit and Risk Committee, if required.
- perform the internal audit of the following audit topics:

31-12-2021

1. Records Management
2. Fraud and Corruption
3. Conflict of Interest
4. Contract Management
5. Business Continuity

31-12-2022

1. Procurement and Tendering
2. Risk Management
3. Infrastructure assets maintenance and replacement - strategies and inspection programs
4. Post-implementation Review of Financial and Non-financial Systems
5. Financial reporting and governance

31-12-2023

1. Complaints Management
2. Customer Service
3. Waste Management
4. Data Analytics review
5. Application systems review

Internal audit planning is important as it aligns internal audit activity with organisational objectives and the key risk areas to ensure that internal audit resources are targeted in an efficient manner.

The WA Auditor General recognises that there are four lines of defence which underpin a strong governance framework, of which internal audit is the third line of defence:

- First line of defence – internal control measures.
- Second line of defence – internal oversight, monitoring and reporting.
- Third line of defence – internal audit and review.
- Fourth line of defence – external audit, investigations and reviews.

Internal audit is an independent and objective appraisal service designed to add value and assist an organisation achieve its objectives through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

The Office of the Auditor General also places reliance on internal audit activities when conducting their annual financial audit of the Shire.

COMMENT

The Procurement and Risk Management Audit Reports have been reviewed by Shire staff and Management comments provided.

CONSULTATION

Not Applicable

STATUTORY ENVIRONMENT

Part 7, Local Government Act 1995.

Section 14 and 15, Local Government (Audit) Regulations 1996.

Regulation 17, Local Government (Audit) Regulations 1996.

Regulation 5(2)(c), Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

Nil Applicable

FINANCIAL IMPLICATIONS

Nil Applicable

STRATEGIC IMPLICATIONS

Accountable and effective leaders

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Internal Audit Report - Procurement
2. Internal Audit Report - Risk Management

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Audit Committee:-

1. Receive Internal Audit Report Procurement
2. Receive Internal Audit Report Risk Management

AUDIT COMMITTEE RESOLUTION #49/2023

Moved: Cr Tracey Rathbone

Seconded: Cr Kathie Lindup

That the Audit Committee:-

1. Receive Internal Audit Report Procurement
2. Receive Internal Audit Report Risk Management

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tamme Keast

Against: Nil

CARRIED 5/0



INTERNAL AUDIT PROCUREMENT

Shire of Coolgardie

20 January 2023



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1. EXECUTIVE SUMMARY

1.1. Background

Robust procurement processes are essential for any organisation as it ensures that procurement is effective, meets the standards expected by the community and stakeholders and provides good value for money for the organisation. It is also good governance to maintain adequate and appropriate records, policies, and procedures to manage procurement efficiently and effectively.

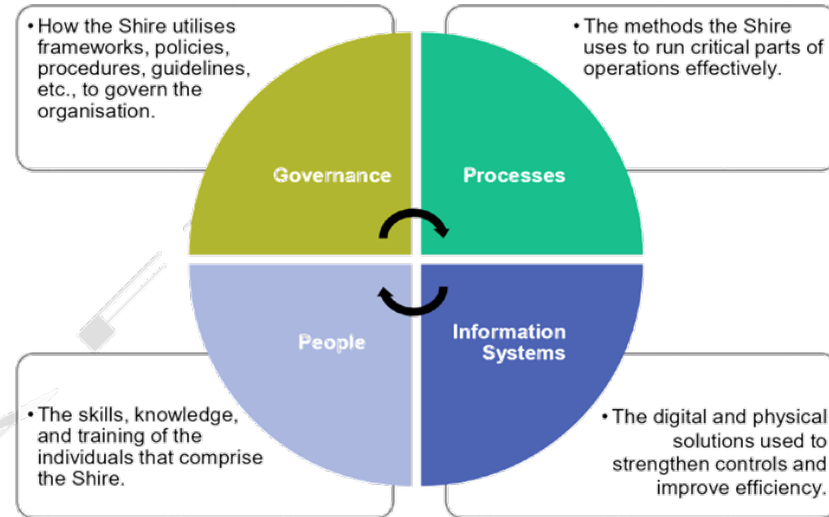
We have assessed the Shire of Coolgardie's ("the Shire") procurement practices against better practice principles such as the *Western Australian Procurement Rules 2021/02* and the *Local Government Act of 1995 and relevant Regulations* ("the Act").

Moore Australia (WA) Pty Ltd ("Moore Australia") performed the internal audit in line with the International Standards for the Professional Practice of Internal Auditing and the Moore Australia Internal Audit Methodology.

This report presents our observations and recommendations arising from the internal audit performed. These observations and recommendations are presented, together with management's comments, in Section 3 Observations and Recommendations, and summarised below.

1.2. Overall Findings

Overall, the internal controls related to procurement process needs improvement. We found there is a lack of updated and / or formalised procurement policies and procedures purchase orders and credit card transactions indicate significant weaknesses that should be mitigated as soon as possible and the tender registers maintenance and completeness should be aligned with the *Local Government Act of 1995 and relevant Regulations* to ensure compliance. We have also identified potential duplicated transactions and a lack in the maintenance of the vendor master file, which are just some of the key matters.



1.3. Related Internal Audits

We are not aware of any previous procurement related internal or external reviews undertaken at the Shire in recent times as confirmed with the Shire.



1. EXECUTIVE SUMMARY (CONTINUED)

1.4. Acknowledgement

We would like to thank of the Shire’s personnel for the assistance that has been extended during the engagement. Key personnel contracted during the audit are outlined in [Appendix 2](#).

1.5. Summary of Results

The results of our fieldwork are summarised in the table below and detailed in Section 3 – Observations and Recommendations of this report.

Risk Rating	Total	Extreme	High	Medium	Low	Negligible	Recs
Governance	3	-	1	2	-	-	6
Processes	4	-	4	-	-	-	9
Information Systems	2	-	2	-	-	-	5
People	-	-	-	-	-	-	-
Total	9	-	7	2	-	-	20

We have assigned, and agreed with Management, priority ratings for each observation based on the *Key to Significance of Risk Rating* included in [Appendix 1](#).



1. EXECUTIVE SUMMARY (CONTINUED)

1.6. Summary of Results (continued)

Category	Summary of Findings	Risk Rating
Governance	1. Outdated Procurement Policy	Medium
	2. Lack of Pre-Qualified Suppliers Panel Policy	High
	3. Incomplete Tender Register data	Medium
Processes	4. Unidentified roles of Purchase Order approvals	High
	5. Potential non-compliance with Procurement Policy	High
	6. Missing documentation for credit card reconciliations	High
	7. Potential duplication of payments	High
Information Systems	8. Purchase order invoice amount exceeded delegated limits	High
	9. Vendor master file is inappropriately maintained	High



2. SCOPE AND APPROACH

2.1. Objective and Scope

The objective of this internal audit was to assess the design and operating effectiveness of the Shire's procurement process.

The scope of the internal audit included the following:

- Procurement Management Framework, including policies, procedures, plans, registers;
- Implementation of policies, procedures and plans;
- Monitoring and reporting to the Executive, Audit Committee and Council;
- Extent of alignment with policies and procedures, legislation, better practice principles, and OAG Tabled Reports; and

The period of review was from 01 July 2021 to 30 June 2022.

2.2. Approach

The review was conducted primarily by applying discussion, observation, and review techniques, concentrating on:

- Entrance meeting with the process owner;
- Holding meetings with relevant stakeholders to understand the current environment, challenges, and opportunities;
- Reviewing documents, sample testing, and data analytics where appropriate;
- Issue draft report to Management;
- Exit Meeting with Management to discuss key findings and recommendations;
- Receive and incorporate Management feedback; and
- Issue final report to the Audit Committee.

2.3. Approach for Sample Testing

To test the implementation of policies/procedures and the effectiveness of controls we took several samples from 2 areas within the procurement function:

- Corporate credit cards; and
- Purchase orders (PO's).

The processes for using corporate credit cards at the Shire is controlled mainly through the "Corporate Credit Card Policy" and was tested for adherence to the policy along with better practice principles such as DLGSC, in addition to relevant legislation.

The processes for general procurement at the Shire are performed using PO's that are primarily controlled through the "Procurement Policy" for transactions under \$250k, and the *Local Govt Act 1995 & Regulations* for those equal to or greater than \$250k.

Nine (9) transactions were sampled from the PO Listing provided by the Shire based on selecting 3 transactions per category defined in the thresholds from the procurement policy. i.e., three (3) for PO's under \$100k, three (3) between \$100k and under \$250k, and three (3) for \$250k and over.

Exceptions identified are not intended to suggest fraud or corruption however this may be investigated and determined as such, as they may be caused by several factors and are simply meant to represent areas where the Shire may wish to investigate further. Any specific/noteworthy findings can be found within the results.

Please refer to the Limitations of Scope in Section 2.5.

2. SCOPE AND APPROACH (CONT.)

2.4. Reporting

The following reporting activities had been undertaken:

- Developed a draft report outlining our findings and recommendations.
- Validated the draft report with process owners and responsible management.
- Sought Management comments, actions, and timelines for implementing actions.
- Issued the final report to the Chief Executive Officer.
- Tabled final report to the Audit Committee.

2.5. Limitations of Scope

Our work is limited by the following:

- The scope of our services and any deliverables will be limited to carrying out internal audit assignments in accordance with the strategic internal audit plan approved by the Audit Committee. We will only cover the scope of work approved by the Audit Committee and unless additional areas are specifically agreed with the Audit Committee during the year.
- The scope of work for this engagement as approved by Management in our Statement of Scope signed on 14 July 2022.
- Due to the inherent limitations of any internal control structure, we do not warrant that all weaknesses, fraud, error, or non-compliance in your control structures were detected during the course of the Engagement.
- Any testing under the Engagement was performed on a sample basis and is not conducted continuously.
- Any projections as to the assessment of the control structures in future periods are subject to the risk that the structures may become inadequate as a result of changes in conditions, or that the degree of compliance with them may deteriorate.

- We conducted appropriate tests of key controls within our scope. Our findings only relate to the period of testing undertaken during our review and cannot be relied upon to be representative of the operation of control procedures prior to or after this period.
- The internal audit was entirely performed remotely. We have relied solely on the information and documentation provided to us by the Shire and have not performed a review on the authenticity of the information and documentation provided. There is a risk the information may have been altered prior to being provided to Moore Australia and there is a risk this may not be identified by Moore Australia. This may impact on the results reported within this report.
- Due to the engagement being performed remotely, we are entirely reliant on requested information being provided to us on a timely basis and are limited in our ability to physically sight processes, documentation, systems, etc.
- We were unable to test the controls within the Shire's Code of Conduct with regards to Conflict of Interest in the procurement process as the Shire did not provide the samples requested by us. We were unable to determine if conflicts of interests were being identified, risk assessed and managed in accordance with the Shires Policy and within risk appetite.
- We have not performed a review on the authenticity of the information and data provided. There is a risk the information may have been altered prior to being provided to Moore Australia and there is a risk this may not be identified by Moore Australia. This may impact on the results reported within this report.

3.OBSERVATIONS AND RECOMMENDATIONS

Governance

Findings and Recommendations		Rating	
Finding 1 – Outdated Procurement Policy		Medium	
<p>Procurement policies and procedures is critical for the Shire as it identifies the approach, and process of managing the purchase of goods and services to ensure that the procurement process is fair, transparent, and competitive, which can in turn help to achieve value for money and reduce associated risks. Through discussions and a review of documents provided by the Shire, we observed <i>Policy 1.05 – Procurement Policy</i> (“Procurement Policy”) is outdated in that:</p> <ul style="list-style-type: none"> • The Coronavirus 19 state of emergency declaration recorded in the policy has come to an end on 4 November 2022 and is no longer applicable. • The purchase value threshold recorded in the policy provides purchasing requirements for values (1) – “<i>Less than \$2,000 excl. GST – Obtain one verbal quote</i>” and (2) – “<i>over \$2,000 and up to \$10,000 excl. GST – Obtain one itemised written quote from a suitable supplier.</i>”. Confusion will arise for any purchases with a value of exactly \$2,000 as employees will not be sure if the purchase falls within the first or second purchasing requirement. • The name of the “Responsible Officer” of the policy is absent. • The policy was last reviewed in April 2020 and does not indicate the next review date. The review of policies should be performed every two (2) years as required in <i>Council Policy 1.01 – Policy Management</i>, which states that “<i>Council policies will be reviewed at least every two (2) years</i>”. <p>We noted that the Shire does not have formalised procurement procedures to provide clear instructions to employees when performing purchasing activities.</p> <p>Implications</p> <p>The lack of dated or formalised procurement instruments may lead to poor operational performance and increased financial, fraud and reputational risks.</p>			
Management Comment			
There are some gaps and the polices and procedures will be reviewed.			
Recommendations	Agreed Action	Action Owner	Target Date
1. Review and update <i>Policy 1.05 – Procurement Policy</i> and consider better practice principles such as the Western Australian Procurement Rules 2021/02.	Review and update Policy 1.05 – Procurement.	Bec Horan	June 2023
2. Develop, approve and implement a comprehensive procurement procedure.	A procedure is in place however is outdated and will be reviewed.	Bec Horan	June 2023



3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Governance	
Findings and Recommendations	Rating
Finding 2 – Lack of Pre-Qualified Suppliers Panel Policy	High
<p>Section 24AC(1)(a) of the <i>Local Government Act (Functions & General) Regulations 1996</i> states that “A local government must not establish a panel of pre-qualified suppliers unless – it has a written policy that makes provision in respect of the matters set out in subregulation (2)...”.</p> <p>Subregulation (2) states the following:</p> <ul style="list-style-type: none"> a) how the local government will procure goods or services from pre-qualified suppliers, including any process for obtaining quotations from them; and b) how the local government will ensure that each pre-qualified supplier on a panel of pre-qualified suppliers will be invited to quote for the supply of the goods or services that the pre-qualified suppliers will be expected to supply; and c) how the local government will ensure clear, consistent and regular communication between the local government and pre-qualified suppliers; and d) any factors that the local government will take into account when distributing work among pre-qualified suppliers; and e) the recording and retention of written information, or documents, in respect of — <ul style="list-style-type: none"> i. all quotations received from pre-qualified suppliers; and ii. all purchases made from pre-qualified suppliers. <p>Through discussions with staff, we noted that the Shire does not have an independent policy that governs the use of pre-qualified suppliers, however, some of the requirements as mentioned above are governed through the procurement policy that refers to the use of the LGA Preferred Supply Program and the State Government Common Use Arrangement (“CUA”) and their quotation requirements.</p> <p>Beyond this, the following requirements stipulated in Subregulation (2) are not accounted for:</p> <ul style="list-style-type: none"> b) how the Shire will ensure that each pre-qualified supplier on a panel of pre-qualified suppliers will be invited to quote for the supply of the goods or services that the pre-qualified suppliers will be expected to supply. c) how the Shire will ensure clear, consistent and regular communication between the local government and pre-qualified suppliers. d) any factors that the Shire will take into account when distributing work among pre-qualified suppliers. <p>Implications</p> <p>The Shire may be in breach of Section 24AC(1)(a) of the <i>Local Government Act (Functions & General) Regulations 1996</i> causing reputational damage to the Shire and possible further legal scrutiny.</p>	
Management Comment	



Findings and Recommendations			Rating
Finding 2 – Lack of Pre-Qualified Suppliers Panel Policy			High
Recommendations	Agreed Action	Action Owner	Target Date
3. Update <i>Policy 1.05 – Procurement Policy</i> to include all provisions relating to pre-qualified supplier panels as required by the <i>Local Government, Act (Functions and General) Regulations 1996</i> .	Will review policy	Bec Horan	June 2023



3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Governance

Findings and Recommendations	Rating
Finding 3 – Incomplete Tender Register Data	Medium
<p>In accordance with Section 17 of the <i>Local Government Act (Functions and General) Regulation 1996</i> ("Regulations"), the CEO of a local government is responsible for keeping a tenders register and publish it on the local government's official website.</p> <p>Section 17(2) of the Regulations states:</p> <ul style="list-style-type: none"> 2) <i>the tenders register is to include, for each invitation to tender –</i> <ul style="list-style-type: none"> a) <i>a brief description of the goods or services required</i> c) <i>particulars of:</i> <ul style="list-style-type: none"> a. <i>any notice by which expressions of interests from prospective tenderers was sought</i> b. <i>any person who submitted an expression of interest</i> c. <i>any list of acceptable tenderers that was prepared</i> d) <i>a copy of the notice of the invitation to tender</i> e) <i>the name of each tenderer whose tender has been opened</i> f) <i>the name of any successful tenderer</i> 3) <i>The tenders register is to include for each invitation to tender the amount of the consideration or a summary of the amount of the consideration sought in the tender accepted by the local government.</i> <p>We reviewed the Shire's tender register, which is in Microsoft Excel format and contains tender information from 2014 to 2022. We noted the tender register does not contain the following information as required by the Regulations:</p> <ul style="list-style-type: none"> c) <i>particulars of:</i> <ul style="list-style-type: none"> a. <i>any person who submitted an expression of interest</i> b. <i>any list of acceptable tenderers that was prepared</i> e) <i>the name of each tenderer whose tender has been opened</i> 3) <i>The tenders register is to include for each invitation to tender the amount of the consideration or a summary of the amount of the consideration sought in the tender accepted by the local government.</i> <p>The tender register is also incomplete in that certain data fields pertaining to the year 2021 and 2022 is missing. Also, we could not establish whether this workbook is part of the formal City reports since it did not contain any review and approval information to ensure that it is correct as of a certain date.</p> <p>Through a review of information published on the Shire's website, we noted the following:</p>	



Findings and Recommendations		Rating	
Finding 3 – Incomplete Tender Register Data		Medium	
<ul style="list-style-type: none"> The Shire has an itemised list of individual tenders (Coolgardie Shire Council » News and Publications » Tenders) with links to information pertinent to the tenders These links contained most of the information requirements outlined in the Regulation, however, the list of tenders in the excel workbook for the year 2021 and 2022 does not correspond with information on the Shire’s website as some tenders in the excel workbook is not on the website and some tenders on the website is not recorded within the excel workbook. <p>We could not find evidence that either the excel workbook or the website have been reviewed by Management for accuracy and currency.</p> <p>Implications</p> <p>Incomplete tender information published on the Shire’s website may be a contravention of the Regulations. It may also increase a perception risk with the public that the Shire is biased and favour certain service providers.</p>			
Management Comment			
<p>The Tender Register on the website contains all required information as per Section 17(2) of the Local Government Act (Functions and General) Regulations 1996. The excel spreadsheet is used internally to keep a track of tender numbers and responsible officer etc. We do not believe any work is needed in this area.</p>			
Recommendations	Agreed Action	Action Owner	Target Date
4. Consider maintaining only one tender register – the website tender register.	See management comment		
5. Ensure all requirements under Section 17 (2) of the <i>Local Government Act (Functions and General) Regulation 1996</i> is included on the Shire’s website.	See management comment		
6. Should the Shire continue the use of the Microsoft Excel tender register, ensure that the tender register is complete, accurate, contain all the information as required by the Regulations and that it is consistent with the information published on the Shire’s website.	See management comment		

3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Processes			
Findings and Recommendations			Rating
Finding 4 – Unidentified Roles of Purchase Order Approvals			High
<p>We reviewed and tested the Purchase Order (“PO”) listing via data analytics provided by the Shire for the audit period, to review the quality of the data and determine the high-level extent of purchase orders approved in line with the Shire’s Register of Delegations. We noted the following:</p> <ul style="list-style-type: none"> • In ninety-four (94) instances the PO “Authorising Officer” is recorded as “1000”. Management was unable to provide an explanation of who, or what role, “1000” represents. • In twenty-six (26) instances, the PO “Authorising Officer” column is blank. Management could not provide an explanation of who approved the said PO’s. • In one hundred and fifty-seven (157) instances the PO “Authorising Officer” is recorded as “VC”. Management was unable to provide an explanation of who, or what role, “VC” represent. <p>Details of the discrepancies can be found in Appendix 3 of this report.</p> <p>Implications</p> <p>This may represent a potential fraud and corruption risk and should be investigated.</p> <p>Financial risk for unapproved transactions.</p> <p>Credibility risk if fraud and corruption or financial loss to the Shire.</p>			
Management Comment			
<p>Shire staff don’t recall being asked to provide an explanation on the above matters. Since receiving this report, we have determined the following:-</p> <p>“1000” relates to the former Executive Assistant to the CEO. Codes (eg EA) cannot be duplicated or reused and therefore we have moved to a numbering system with the number linking to a position/title not an individual.</p> <p>“VC” is the Visitors Centre (Team Leader – Tourism and Heritage)</p> <p>Blank authorising officer column may have been a reporting error. When we look in Synergy now we can see that there is an authorised officer allocated to the purchase order.</p>			
Recommendations	Agreed Action	Action Owner	Target Date
7. Investigate the discrepancies identified and report the outcome to the Audit Committee.	Have investigated. See management comments above	Bec Horan	February 2023
8. Ensure the “Authorising Officer” in the Shire’s procurement system is correctly labelled and linked to an approved position per the Shire’s Organisational Structure and approved Delegated Authority.	Will review and make any necessary changes	Bec Horan	March 2023



Perform this on a regular basis so that fraud or errors are identified on a timely basis.

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3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Processes																		
Findings and Recommendations																		
Rating																		
High	Finding 5 – Potential Non-Compliance with Procurement Policy																	
<p>The Shire is required by the <i>Local Government (Functions and General) Regulations 1996</i> to create and implement a policy for procurement methods under the tender threshold of \$250k. The Shire's procurement policy requires different procurement mechanisms for different purchasing values. The differences in these requirements are summarised as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #808080; color: white;">Number of Samples</th> <th style="background-color: #808080; color: white;">Threshold Value</th> <th style="background-color: #808080; color: white;">Requirement</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center;">3</td> <td>Over \$2000 – Up to \$10k</td> <td>1 Itemised Written Quote</td> </tr> <tr> <td>Over \$10k – Up to \$30k</td> <td>2 Itemised Written Quotes</td> </tr> <tr> <td>Over \$30k – Up to \$100k</td> <td>3 Itemised Written Quotes</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Over \$100k – Less than \$250k</td> <td>3 Itemised Written Quotes authorised by CEO under RFQ</td> </tr> <tr> <td style="text-align: center;">3</td> <td>\$250,000 Plus</td> <td>Tender</td> </tr> </tbody> </table>			Number of Samples	Threshold Value	Requirement	3	Over \$2000 – Up to \$10k	1 Itemised Written Quote	Over \$10k – Up to \$30k	2 Itemised Written Quotes	Over \$30k – Up to \$100k	3 Itemised Written Quotes	3	Over \$100k – Less than \$250k	3 Itemised Written Quotes authorised by CEO under RFQ	3	\$250,000 Plus	Tender
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3	Over \$100k – Less than \$250k	3 Itemised Written Quotes authorised by CEO under RFQ																
3	\$250,000 Plus	Tender																
<p>To test compliance with the Shire's procurement policy requirements, we reviewed a sample nine (9) transactions and noted the following exceptions: (Details in Appendix 4)</p> <ul style="list-style-type: none"> • For the three (3) transactions under the value of \$100k: <ul style="list-style-type: none"> ○ In two (2) out of three (3) samples, the number of quotes sought required by the policy were insufficient. • For the three (3) transactions with a value greater than \$100k and less than \$250k: <ul style="list-style-type: none"> ○ Three (3) out of three (3) samples had sought an insufficient number of quotations required by the policy. ○ No evidence of CEO approved RFQ's was provided. • For the three (3) transactions with a value of \$250,000 or more: <ul style="list-style-type: none"> ○ In one (1) of the three (3) samples, the Shire did not follow a tender process in the appointment of <i>St John Medical Kambalda - Apollo Health Ltd</i> to the value of \$300,000. We were not provided with evidence of exemption or resolution passed by the Council to exempt this purchase from the tender process. <p>From the above, it appears that Shire employees are not complying with the requirement of the Shire's procurement policy as six (6) out of nine (9) sampled transactions had non-compliance with Shire policy.</p> <p>Implications</p> <p>The lack of compliance with the Shire's procurement policy may be a potential non-compliance with policy causing financial loss to the Shire.</p> <p>This may lead to an increase of fraud and corruption risks</p>																		



Findings and Recommendations			Rating
Finding 5 – Potential Non-Compliance with Procurement Policy			High
Potential non-compliance with legislation.			
Management Comment			
<p>Agreed that there were some instances when the required number of quotes were not sought however please see below:-</p> <ul style="list-style-type: none"> • PO 29838 – Uniqco – falls under Tender 01/2022 – Local Government Services • PO 28256 – Diverseco – Shire used Diverseco for the supply and installation of the first section of the weighbridge and to ensure integration of the extension, we needed to use the same supplier. • PO 28351 – LGIS is a Local Government Insurance Service and agree that we didn't met the requirements of the purchasing policy. Recommend that we make changes to the policy to make insurance exempt. • PO 28435 – St John Medical – there is an MOU in place between the Shire and St John Medical Kambalda 			
Recommendations	Agreed Action	Action Owner	Target Date
9. Investigate the exceptions identified and report the outcome to the Audit Committee on a timely basis.	Investigate. See management comments.	Bec Horan	Completed
10. Provide procurement training on the requirements of the procurement policy and newly developed procurement procedures.	To provide training on the requirements of the procurement policy.	Bec Horan	Ongoing
11. Management should promote, monitor and report compliance with the procurement policy requirements on a regular basis. The use of data analytics may assist with efficient and effective monitoring of compliance.	Will consider	Management	Ongoing

3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Processes			
Findings and Recommendations			Rating
Finding 6 – Missing documentation for credit card reconciliations			High
<p>To ensure credit cards are being used appropriately in accordance with <i>Policy 1.15 Corporate Credit Cards</i> ("Credit Card Policy") and to prevent misuse, all supporting receipts should be accounted for and reconciled on a monthly basis, in a timely manner.</p> <p>We performed an analysis of the credit card transactions data and tested a sample of 24 reconciliations that covers 2 cardholders per month. The results of these tests identified the following:</p> <ul style="list-style-type: none"> • Twelve (12) out of twenty-four (24) sampled monthly reconciliations did not contain all appropriate documentation. Common reasons were: <ul style="list-style-type: none"> ○ Scanned receipts/invoices being unreadable; and ○ Receipts being included in the previous/following periods reconciliation. • Transaction dates listed on reconciliations are commonly 2-3 days after the actual transaction date. This led to several instances of transactions being included in a monthly reconciliation without appropriate documents as the document dates were in the prior – or subsequent period. • The date of approval for reconciliations are not recorded in all instances. <p>Of the total 246 transactions reviewed we identified four (4) transactions [2%] had no evidence of a requisite receipt recorded (and no declaration was completed). Details of these can be found in Appendix 5.</p> <p>Implications Credit card transactions without adequate supporting evidence may indicate potential irregularities and could increase risk of unauthorised spending, fraud and corruption risk</p>			
Management Comment			
Recommendations	Agreed Action	Action Owner	Target Date
12. Ensure all supporting documentation is submitted and recorded with the credit card reconciliation prior to approval by the relevant delegated authority;	Will continue to do this.	Corina Morgan	Ongoing
13. Ensure staff involved in the use of, approval, and monitoring of credit card transactions are trained on a regular basis in the Shire policy, procedure, and better practice principles.	Will continue to remind staff of their obligations under the credit card policy.	Corina Morgan	Ongoing



3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Processes	
Findings and Recommendations	Rating
Finding 7 – Potential duplication of payments	High
<p>As part of our data analytics and testing, we reviewed, on a sample basis, both the PO listing in combination with the credit card transactions for the period to identify the potential duplicate transactions. We identified the following potential duplicated transactions between the CEO credit card in December 2021 and PO created and paid in January 2022:</p> <ul style="list-style-type: none"> • Three (3) purchases made via the CEO’s credit card on the 22nd of December 2021 for: <ul style="list-style-type: none"> ○ “Short Course Booking for Malcolm Cullen – Understanding Local Government (Face to Face)” <ul style="list-style-type: none"> ▪ \$240 total ▪ Transaction receipt dated 20th December 2021 ▪ Completed invoice dated 6th January 2022 ○ “Short Course Booking for Malcolm Cullen – Meeting Procedures” <ul style="list-style-type: none"> ▪ \$495 total ▪ Transaction receipt dated 20th December 2021 ▪ Completed invoice dated 6th January 2022 ○ “Short Course Booking for Malcolm Cullen – Conflicts of Interest (Face to Face)” <ul style="list-style-type: none"> ▪ \$240 total ▪ Transaction receipt dated 20th December 2021 ▪ Completed invoice dated 6th January 2022 • On 7 January 2022, a PO (order number 29356) was created for: <ul style="list-style-type: none"> ○ Councilors Cullen, Botting, and Mitchell to undergo training provided by WALGA to the cumulative value of \$3,217.50. These constituted the following: <ul style="list-style-type: none"> ▪ Understanding Local Government x 3 – \$643.50 ▪ Conflicts of Interest x 3 – \$643.50 ▪ Meeting Procedures x 3 – \$643.50 ▪ Serving at Council x 3 – \$643.50 ▪ Understand Financial Reports x 3 – \$643.50 <p>Due to the perceived duplication of training received – particularly for Cr Cullen – we believe there is a risk that duplicate payments for the same services were made. Errors in payments throughout the procurement process can occur through a variety of methods – the Shire should have systematic reviews to identify errors within a reasonable timeframe and endeavour to rectify errors by chasing up transactions made in mistake.</p>	



Findings and Recommendations			Rating
Finding 7 – Potential duplication of payments			High
<p>Implications</p> <p>Duplicate transactions increase the risk of fraud and may cause financial loss and reputational damage to the Shire.</p>			
<p>Management Comment</p> <p>Recommendations 14 and 15 have been investigated with the below findings:</p> <p>Investigated and found that the original bookings for the Shire President were made as an online learning which were incorrect and not completed. A credit was not granted. Second booking was for the Shire President to complete in person.</p> <p>There were no duplicates.</p>			
Recommendations	Agreed Action	Action Owner	Target Date
14. Investigate the potential duplication of payments and report the results to the Audit Committee.	Investigation has been conducted. See management comments.	Corina Morgan	Completed 17 th February 2023
15. If the transactions are confirmed duplicate, recover the funds from the relevant service provider.	Investigation has been conducted. See management comments.	Corina Morgan	Completed 17 th February 2023

3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Information Systems																																																							
Findings and Recommendations						Rating																																																	
Finding 8 – PO invoice amount exceeded delegated limits						High																																																	
<p>The Shire’s delegations register specifies delegated limits for fifteen (15) roles at the Shire to “raise requisitions (where appropriate) and to incur liabilities through the issue of Purchase Orders (“PO”), within the following limits...”</p> <p>We reviewed and tested the Purchase Order (“PO”) listing provided by the Shire for the audit period, to determine if the invoice amount for every PO was approved in accordance with the Authorising Officers limit as per the Shire’s Delegation of Authority provided to the audit team. We noted the following exceptions:</p> <ul style="list-style-type: none"> In six (6) instances, extracted in the table below, the invoice amount exceeded delegated financial limit of the Officer approving the invoice. <table border="1"> <thead> <tr> <th>No</th> <th>Order Number</th> <th>Order Date</th> <th>Order Value</th> <th>Invoice Amount</th> <th>Authorising Officer</th> <th>Delegation of Authority - Authorising Officer Limit</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>30051</td> <td>13/05/2022</td> <td>\$ 10,000.00</td> <td>\$ 12,360.00</td> <td>kampool</td> <td>\$ 10,000.00</td> </tr> <tr> <td>2</td> <td>30047</td> <td>11/05/2022</td> <td>\$ 4,634.11</td> <td>\$ 9,268.22</td> <td>PROJECTS</td> <td>\$ 5,000.00</td> </tr> <tr> <td>3</td> <td>28460</td> <td>11/08/2021</td> <td>\$ 4,600.00</td> <td>\$ 6,688.00</td> <td>PROJECTS</td> <td>\$ 5,000.00</td> </tr> <tr> <td>4</td> <td>28608</td> <td>1/09/2021</td> <td>\$ 5,000.00</td> <td>\$ 6,189.15</td> <td>PROJECTS</td> <td>\$ 5,000.00</td> </tr> <tr> <td>5</td> <td>29855</td> <td>4/04/2022</td> <td>\$ 3,162.50</td> <td>\$ 5,338.94</td> <td>PROJECTS</td> <td>\$ 5,000.00</td> </tr> <tr> <td>6</td> <td>28596</td> <td>30/08/2021</td> <td>\$ 5,000.00</td> <td>\$ 5,029.17</td> <td>EDO</td> <td>\$ 5,000.00</td> </tr> </tbody> </table> <p>The approval should have been obtained from a higher delegated authority to approve the invoice.</p> <p>We further noted that in all six (6) instances, the invoice amount exceeds the PO amount and no evidence has been provided that this has been approved by the approved Delegated Authority.</p> <p>We expect that the system should ideally prevent an Authorising Officer from approving any invoice with a value exceeding their Delegated Authority.</p> <p>Implications</p> <p>Non-Compliance with Delegated of Authority limits may constitute a breach in the Code of Conduct</p> <p>Fraud and Corruption Risk Indicator</p>							No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Delegation of Authority - Authorising Officer Limit	1	30051	13/05/2022	\$ 10,000.00	\$ 12,360.00	kampool	\$ 10,000.00	2	30047	11/05/2022	\$ 4,634.11	\$ 9,268.22	PROJECTS	\$ 5,000.00	3	28460	11/08/2021	\$ 4,600.00	\$ 6,688.00	PROJECTS	\$ 5,000.00	4	28608	1/09/2021	\$ 5,000.00	\$ 6,189.15	PROJECTS	\$ 5,000.00	5	29855	4/04/2022	\$ 3,162.50	\$ 5,338.94	PROJECTS	\$ 5,000.00	6	28596	30/08/2021	\$ 5,000.00	\$ 5,029.17	EDO	\$ 5,000.00
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3	28460	11/08/2021	\$ 4,600.00	\$ 6,688.00	PROJECTS	\$ 5,000.00																																																	
4	28608	1/09/2021	\$ 5,000.00	\$ 6,189.15	PROJECTS	\$ 5,000.00																																																	
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Management Comment																																																							



Findings and Recommendations			Rating
Finding 8 – PO invoice amount exceeded delegated limits			High
Recommendations	Agreed Action	Action Owner	Target Date
16. Investigate the six (6) purchase order approvals and report the findings to the Audit Committee.	Investigated. Invoices were signed by someone with higher delegation eg Director	Corina Morgan	Completed
17. Identify if the payment system can be modified to ensure Authorising Officers cannot approve payment in excess of their Delegated Authority. Ensure that the approval limit restriction functionality has not been turned off in the current system configuration.	<p>On the occasion where the invoice may exceed delegated authority a check needs to take place to ensure someone with higher delegation is signing off invoices for payment.</p> <p>The Shire's procurement system (Altus) ensures each user can only authorise purchase orders within their delegated authority and is not turned off. This is also reviewed and updated regularly.</p>	Corina Morgan	Completed

3. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

Information Systems																				
Findings and Recommendations	Rating																			
Finding 9 – Vendor master file is inappropriately maintained	High																			
<p>The vendor master file is a document critical to an effective procurement practice at any organisation. It should contain accurate and complete information about active vendors. It should have access restricted to a limited number of authorised personnel who are segregated from other incompatible procurement activities. Changes should be validated with current known contacts at the vendors and not rely on emails only for notification. Vendor master files should be cleansed to include only active vendors to ensure that services are procured from legitimate vendors. Inactive vendors can be used for fraudulent activities.</p> <p>We reviewed and tested the Shire's vendor master file (creditors listing) and noted, from the 2825 total creditors listed, the following:</p> <p>A. Duplicate values noted in the master file: (Additional information in Appendix 6)</p> <ul style="list-style-type: none"> • Ten (10) instances of duplicate phone numbers • Fifteen (15) instances of duplicate addresses • Twenty-four (24) instances of duplicate bank details • Twenty-two (22) instances of duplicate email addresses <p>B. Vendors with no transactions in over 3 years: (Additional information in Appendix 6)</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> • 77 active creditors last used in 2018 • 12 active creditors last used in 2017 • 3 active creditors last used in 2016 • 5 active creditors last used in 2013 </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> • 1 active creditor last used in 2012 • 3 active creditors last used in 2011 • 1 active creditor last used in 2010 </td> </tr> </table> <p>C. We could not find evidence of any Management reviews performed on the vendor master file to ensure integrity, currency and accuracy.</p> <p>D. Lack of data to identify whether the vendor is active or inactive:</p> <p>The requirements for labelling a creditor as active or inactive should be defined and all creditors should be assessed on this basis. The Shire should consider automating the process so that creditors will automatically become inactive once the time required has elapsed.</p> <p>Implications</p> <p>Improper maintenance of the vendor master file can increase risk lead to cases of fraud and corruption, misuse and irregularity.</p> <p>Financial loss to the Shire through unapproved transactions</p>		<ul style="list-style-type: none"> • 77 active creditors last used in 2018 • 12 active creditors last used in 2017 • 3 active creditors last used in 2016 • 5 active creditors last used in 2013 	<ul style="list-style-type: none"> • 1 active creditor last used in 2012 • 3 active creditors last used in 2011 • 1 active creditor last used in 2010 	<div style="text-align: center;"> <p>Number of Creditors by Last Active Year</p> <table border="1" style="margin: 0 auto;"> <caption>Number of Creditors by Last Active Year</caption> <thead> <tr> <th>Year</th> <th>Number of Creditors</th> </tr> </thead> <tbody> <tr><td>2010</td><td>1</td></tr> <tr><td>2011</td><td>3</td></tr> <tr><td>2012</td><td>1</td></tr> <tr><td>2013</td><td>5</td></tr> <tr><td>2016</td><td>3</td></tr> <tr><td>2017</td><td>12</td></tr> <tr><td>2018</td><td>77</td></tr> </tbody> </table> </div>	Year	Number of Creditors	2010	1	2011	3	2012	1	2013	5	2016	3	2017	12	2018	77
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2017	12																			
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Findings and Recommendations			Rating
Finding 9 – Vendor master file is inappropriately maintained			High
Credibility risk due to the risk of fraud and corruption and unauthorised transactions.			
Management Comment			
Agreed that there is some work to be completed in this area.			
Recommendations	Agreed Action	Action Owner	Target Date
18. Review and update the vendor master file to reflect the accurate information for all datasets for active users only.	A review will be completed to bring the master file up to date.	Corina Morgan	30 th April 2023
19. Draft, approve and implement a procedure to perform regular reviews on the vendor master file.	A procedure will be created to implement and review regularly.	Corina Morgan	30 th June 2023
20. Ensure reviews on the vendor master file is documented for audit purposes.	The review process will include documents to complete for audit purposes. Will contact Moore for examples on procedures and processes.	Corina Morgan	30 th June 2023



4. OTHER

4.1. Disclaimers

Moore Australia (WA) Pty Ltd as agent, an independent member of Moore Global Network Limited, and a Perth based partnership of trusts carries on business separately and independently from other Moore Global Network Limited member firms worldwide.

Services provided under this engagement are provided by Moore Australia (WA) Pty Ltd as agent and not by any other independent Moore Global Network Limited member firms worldwide. No other independent Moore Global Network Limited member has any liability for services provided.

4.2. Basis of Use

This report has been prepared in accordance with the objectives and approach agreed in the engagement document and subject to the following limitations:

- Other than use by you for the purpose, our report cannot be issued, accessed, or relied upon by any third party without our prior written approval. Furthermore, neither the report nor extracts from it will be included in any document to be circulated to other third parties without our prior written approval of the use, form, and context in which it is proposed to be released. We reserve the right to refuse to grant approval to issue the reporting to any other party.
- Our internal audit work was performed in accordance with the International Standards for the Professional Practice of Internal Auditing contained in the International Professional Practices Framework issued by the Institute of Internal Auditors. It did not constitute an audit or review in accordance with standards issued by the Auditing and Assurance Standards Board and accordingly no such assurance under those standards is provided in this report.

The matters raised in this report are only those which came to our attention while performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures under examination, or potential instances of non-compliance that may exist.

- We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to statements and representations made by, and the information and documentation provided by, Management and personnel. We have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the client. The Internal Audit findings expressed in this report have been formed on the above basis.
- Recommendations for improvement should be assessed by management for their full commercial impact before they are implemented.

4.3. Conflicts of Interest

The firm is not aware of any existing or potential relationship, transaction or holding that would compromise its objectivity in the conduct of the services rendered. Should the possibility of a perceived or actual conflict arise the matter would be raised with the Chief Executive Officer immediately and activities suspended until the issue was resolved to your satisfaction.

4.4. Liability

Moore Australia (WA) Pty Ltd trading as agent – ABN 99 433 544 961, an independent member of Moore Global Network Limited - members in principal cities throughout the world.

Liability limited by a scheme approved under Professional Standards Legislation.

APPENDIX 1: KEY TO SIGNIFICANCE OF RISK RATING

Risk Matrix

		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	1	Medium	High	High	Extreme	Extreme
Likely	2	Medium	Medium	High	High	Extreme
Possible	3	Low	Medium	Medium	High	High
Unlikely	4	Low	Low	Medium	Medium	High
Rare	5	Negligible	Low	Low	Medium	Medium

Likelihood Ratings

Likelihood	Definition	Frequency of Noted
Almost Certain	Expected to occur in most circumstances or occurs regularly. A clear opportunity already apparent, which can easily be achieved.	More than once per year
Likely	Occurrence is noticeable or is likely to occur. An opportunity that has been explored and may be achievable.	At least once per year
Possible	Occurs occasionally or may occur. Possible opportunity identified.	At least once in 5 years
Unlikely	Occurs infrequently or is not likely to occur. Opportunity that is fairly unlikely to happen.	At least once in 10 years



APPENDIX 1: KEY TO SIGNIFICANCE OF RISK RATING (CONT.)

Consequence Ratings

Consequence Ratings						
Description	Performance	Financial	Environment	Reputation	Service Delivery / Business Disruption	Legislative / Regulatory / Policy /OSH
Catastrophic	Unable to achieve key objectives. External resources required. Ongoing loss of critical infrastructure.	>15% of asset value. Adverse >15% deviation from budget. Audit unable to be completed.	Catastrophic long term environmental harm.	Significant damage to public confidence leading to sustained compromise in the achievement of strategic objectives.	Major, including several important areas of service and/or a protracted period. Ongoing loss of business systems.	Criminal instances of regulatory non-compliance. Extreme breaches of Code of Conduct. Personal details compromised / revealed – all. Death.
Major	Major impact on ability to achieve key objectives. Impact cannot be managed with current allocated resources. Long-term loss of critical infrastructure.	5%-15% of asset value. Adverse 5%→15% deviation from budget. Audit qualification on the report and accounts.	Significant long-term environmental harm.	Local publicity of a major and persistent nature, affecting the perception/standing within the community.	Complete loss of an important service area for a short period. Major disruption to business processes.	Major revenue or cost implications. Individuals at risk of harm. Significant breaches of Code of Conduct. Personal details compromised / revealed – many. Multiple serious injuries.
Moderate	Moderate impact on ability to achieve key objectives. Significant adjustment to resource allocation. Loss of support infrastructure.	2%-5% of asset value. Adverse 2%→5% deviation from budget. Management letter contains significant issues.	Significant short-term environmental harm.	Damage to reputation to a specific audience, may not have significant long-term or community effects.	Major effect to an important service area for a short period, brief impact on multiple areas. Moderate disruption to business processes.	Minor revenue or cost implications. Breach of Code of Conduct. Personal details compromised / revealed – some. Serious injury and/or illness.
Minor	Minor impact on ability to achieve key objectives. Additional internal management efforts required. Interruption to support infrastructure.	< 2 of asset value. Adverse impact on revenues and costs <2% deviation from budget. Management letter contains minor issues.	Minor transient environmental harm.	Minor damage to reputation to a small audience, complaint from a large group of people.	Brief disruption of important service area. Noticeable effect to non-critical service area. Minor disruption to business processes.	Minor breaches of Code of Conduct. Personal details compromised / revealed – isolated. First aid or minor lost time injury.
Insignificant	Negligible impact on ability to achieve key objectives. Impact can be managed through routine activities. Negligible interruption to support infrastructure.	Insignificant loss. Insignificant adverse impact on annual revenue or costs. Matters discussed with management not reported.	Negligible transient environmental harm.	Minor unsubstantiated publicity or damage to reputation to a small audience, complaint from individual/small group.	Negligible impact on the effectiveness of the organisation's processes. Negligible disruption to business processes.	Little or no impact to Code of Conduct. Personal details compromised / revealed - an individuals. Incident with or without minor injury.



APPENDIX 2: KEY PERSONNEL CONTACTED

We would like to thank the following personnel for their assistance in the conduct of this internal audit.

Name	Role
James Trail	Shire CEO
Bec Horan	Coordinator Major Projects, HR & Governance
Corina Morgan	Senior Finance Officer



APPENDIX 3: UNKNOWN AUTHORISATIONS

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
Ninety-four (94) instances where the Authorising Officer Column indicates "1000"						
1	28532	23/08/2021	4180.00	3681.70	1000	JBS & G AUSTRALIA PTY LTD
2	29211	08/12/2021	3500.00	3500.00	1000	ESS KAMBALDA VILLAGE
3	29356	07/01/2022	3217.50	3217.50	1000	WA LOCAL GOVERNMENT ASSOCIATION - WALGA
4	28607	31/08/2021	2887.50	2851.20	1000	GHD PTY LTD
5	29832	30/03/2022	2500.00	2500.00	1000	IMPACT ENVIRONMENTAL CONSULTING PTY LTD
6	28459	11/08/2021	2115.00	2326.50	1000	RESOURCES WA PTY LTD
7	28271	15/07/2021	1481.29	1481.29	1000	LO-GO APPOINTMENTS
8	28835	11/10/2021	1270.00	1270.00	1000	WA LOCAL GOVERNMENT ASSOCIATION - WALGA
9	28498	16/08/2021	1205.60	1205.60	1000	BUSINESS AND SAFETY PRINTING - MARBLE BAY HOLDINGS PTY LTD
10	28836	11/10/2021	1200.00	1200.00	1000	WA LOCAL GOVERNMENT ASSOCIATION - WALGA
11	28361	29/07/2021	1100.00	1100.00	1000	KALGOORLIE BOULDER RACING CLUB
12	28478	12/08/2021	1100.00	1100.00	1000	JBS & G AUSTRALIA PTY LTD
13	29766	18/03/2022	960.00	960.00	1000	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA
14	28617	01/09/2021	870.00	870.00	1000	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA
15	28375	30/07/2021	848.33	848.33	1000	LOCAL HEALTH AUTHORITIES ANALYTICAL COMMITTEE
16	28688	15/09/2021	648.10	648.10	1000	MARKET FORCE
17	28908	25/10/2021	578.49	578.49	1000	SHERIDAN'S FOR BADGES
18	29169	03/12/2021	518.50	518.50	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
19	29376	10/01/2022	478.50	478.50	1000	ESS KAMBALDA VILLAGE
20	29186	06/12/2021	450.00	450.00	1000	BOUNCY FUN ENTERTAINMENT
21	29347	06/01/2022	429.61	429.61	1000	WINC AUSTRALIA PTY LTD
22	28248	05/07/2021	428.70	428.70	1000	MARKET FORCE
23	29153	01/12/2021	418.00	418.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
24	29473	25/01/2022	419.22	411.43	1000	WINC AUSTRALIA PTY LTD
25	28689	15/09/2021	411.10	411.10	1000	MARKET FORCE

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
26	28545	23/08/2021	396.00	396.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
27	28755	29/09/2021	396.00	396.00	1000	GOLDFIELDS PRINTING COMPANY PTY LTD
28	29076	19/11/2021	390.50	390.50	1000	KALGOORLIE -BOULDER CHAMBER OF COMMERCE & INDUSTRY INC
29	29298	20/12/2021	368.00	369.85	1000	WOOLWORTHS LTD
30	29467	24/01/2022	352.00	352.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
31	29695	04/03/2022	352.00	352.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
32	29719	10/03/2022	339.00	339.00	1000	BUNNINGS BUILDINGS SUPPLIES
33	29744	14/03/2022	336.00	336.00	1000	THE CRIB HUT
34	28830	11/10/2021	330.00	330.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
35	29087	22/11/2021	330.00	330.00	1000	GOLDFIELDS PRINTING COMPANY PTY LTD
36	28690	16/09/2021	300.51	300.51	1000	OFFICE NATIONAL KALGOORLIE
37	28764	30/09/2021	300.00	300.00	1000	DE BERNALES PTY LTD
38	29063	18/11/2021	300.00	300.00	1000	DE BERNALES PTY LTD
39	29317	21/12/2021	286.00	286.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
40	28853	13/10/2021	275.00	275.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
41	29934	21/04/2022	275.00	275.00	1000	ESS KAMBALDA VILLAGE
42	28341	23/07/2021	258.50	259.16	1000	WINC AUSTRALIA PTY LTD
43	29568	10/02/2022	253.00	253.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
44	28907	25/10/2021	239.80	239.80	1000	SHERIDAN'S FOR BADGES
45	29417	14/01/2022	235.10	235.10	1000	WINC AUSTRALIA PTY LTD
46	28311	21/07/2021	232.00	232.00	1000	VIBE ROADHOUSE - DEBORAH ANNE OVENS
47	29185	06/12/2021	200.00	232.00	1000	M&R PARTY HIRE - MORGAN LILLY (BAKER)
48	29204	08/12/2021	225.50	225.50	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
49	28486	16/08/2021	222.20	222.20	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
50	29874	08/04/2022	214.50	214.50	1000	XX Do Not use KAMBALDA EAST DELI XX
51	28916	26/10/2021	209.00	209.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
52	28433	05/08/2021	203.50	203.50	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
53	28312	21/07/2021	201.00	201.00	1000	VIBE ROADHOUSE - DEBORAH ANNE OVENS
54	30003	05/05/2022	180.00	172.15	1000	KLEENHEAT GAS PTY LTD

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
55	29670	01/03/2022	155.00	172.15	1000	KLEENHEAT GAS PTY LTD
56	28909	25/10/2021	152.00	166.65	1000	KLEENHEAT GAS PTY LTD
57	29282	16/12/2021	152.00	166.65	1000	KLEENHEAT GAS PTY LTD
58	29315	21/12/2021	165.00	165.00	1000	PMH ELECTRICAL CONTRACTING SERVICES PTY LTD
59	29988	03/05/2022	165.00	165.00	1000	BILLO & CO PTY LTD
60	29679	01/03/2022	200.00	152.38	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
61	28537	23/08/2021	151.65	151.65	1000	KLEENHEAT GAS PTY LTD
62	28727	22/09/2021	151.65	151.65	1000	KLEENHEAT GAS PTY LTD
63	28264	12/07/2021	150.00	151.65	1000	KLEENHEAT GAS PTY LTD
64	28336	22/07/2021	150.00	150.00	1000	VIBE ROADHOUSE - DEBORAH ANNE OVENS
65	28342	23/07/2021	144.90	144.91	1000	WINC AUSTRALIA PTY LTD
66	30043	11/05/2022	143.00	143.00	1000	GOLDFIELDS PRINTING COMPANY PTY LTD
67	29184	06/12/2021	138.23	138.23	1000	WINC AUSTRALIA PTY LTD
68	28642	06/09/2021	135.00	135.00	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
69	28295	19/07/2021	123.75	123.75	1000	MARKET CREATIONS - OLD ACCOUNT
70	29000	08/11/2021	104.52	111.47	1000	BIDFOOD KALGOORLIE - GOLDLINE DISTRIBUTORS PTY LTD
71	28444	09/08/2021	108.90	108.90	1000	AERODROME MANAGEMENT SERVICES
72	29516	03/02/2022	105.80	105.80	1000	THE ANIMAL HOSPITAL
73	28670	13/09/2021	100.00	102.64	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
74	29039	12/11/2021	100.00	100.00	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
75	29205	08/12/2021	99.00	99.00	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
76	29051	16/11/2021	150.00	95.93	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
77	29499	01/02/2022	75.00	75.00	1000	CAFE 312
78	28350	27/07/2021	73.13	73.13	1000	OFFICE NATIONAL KALGOORLIE
79	28247	05/07/2021	71.50	71.50	1000	KAMBALDA HOTEL - JSD HOLDINGS (WA) PTY LTD
80	29191	06/12/2021	70.29	70.29	1000	SHERIDAN'S FOR BADGES
81	29030	11/11/2021	70.00	70.00	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
82	29408	13/01/2022	68.00	68.00	1000	PENRITH RUBBER STAMPS - MARGARET ANNE CROWELL
83	29427	17/01/2022	65.00	65.00	1000	WA LOCAL GOVERNMENT ASSOCIATION - WALGA

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
84	28296	25/06/2021	59.40	59.40	1000	HEATLEY INDUSTRIAL, SAFETY&PACKAGING - HEATLEY SALES PTY LTD
85	29799	28/03/2022	50.01	50.01	1000	XX Do Not use KAMBALDA EAST DELI XX
86	29361	07/01/2022	46.00	46.00	1000	WINC AUSTRALIA PTY LTD
87	29691	03/03/2022	55.00	38.35	1000	WOOLWORTHS LTD
88	29717	10/03/2022	2808.85	0.00	1000	GHD PTY LTD
89	29037	11/11/2021	1760.00	0.00	1000	GOLDRUSH TOURS - ORE INVESTMENTS PTY LTD
90	30019	06/05/2022	1000.00	0.00	1000	PRECISE PROJECTS WA PTY LTD
91	30169	10/06/2022	775.50	0.00	1000	INFCOUNCIL PTY LTD
92	28263	09/07/2021	201.00	0.00	1000	DI & MJ OUTBACK ADVENTURE PTY LTD - DENVER CITY HOTEL
93	30155	07/06/2022	125.40	0.00	1000	ESS KAMBALDA VILLAGE
94	28856	14/10/2021	100.00	0.00	1000	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
Twenty-six (26) Instances where the Authorising Officer Column indicates "Blank"						
1	30320	20/07/2022	300000.00	0.00	<i>Not Specified</i>	N/A
2	30115	26/05/2022	191587.91	0.00	<i>Not Specified</i>	N/A
3	30213	28/06/2022	14675.85	0.00	<i>Not Specified</i>	N/A
4	30149	02/06/2022	11508.75	0.00	<i>Not Specified</i>	N/A
5	30145	01/06/2022	10766.36	0.00	<i>Not Specified</i>	N/A
6	30211	28/06/2022	5893.84	0.00	<i>Not Specified</i>	N/A
7	30082	18/05/2022	4456.10	0.00	<i>Not Specified</i>	N/A
8	30323	20/07/2022	3200.00	0.00	<i>Not Specified</i>	N/A
9	29974	02/05/2022	3064.46	0.00	<i>Not Specified</i>	N/A
10	30095	20/05/2022	2558.71	0.00	<i>Not Specified</i>	N/A
11	30174	13/06/2022	2200.00	0.00	<i>Not Specified</i>	N/A
12	30185	17/06/2022	1500.00	0.00	<i>Not Specified</i>	N/A
13	30113	25/05/2022	1067.00	0.00	<i>Not Specified</i>	N/A
14	30264	14/07/2022	1000.00	0.00	<i>Not Specified</i>	N/A
15	30136	30/05/2022	847.00	0.00	<i>Not Specified</i>	N/A
16	30046	11/05/2022	800.00	0.00	<i>Not Specified</i>	N/A



No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
17	30087	19/05/2022	700.50	0.00	Not Specified	N/A
18	30110	24/05/2022	700.00	0.00	Not Specified	N/A
19	30109	24/05/2022	550.00	0.00	Not Specified	N/A
20	30210	28/06/2022	478.50	0.00	Not Specified	N/A
21	29994	04/05/2022	464.05	0.00	Not Specified	N/A
22	30001	05/05/2022	240.00	0.00	Not Specified	N/A
23	30000	05/05/2022	225.00	0.00	Not Specified	N/A
24	30002	05/05/2022	225.00	0.00	Not Specified	N/A
25	30261	13/07/2022	158.70	0.00	Not Specified	N/A
26	30055	13/05/2022	150.00	0.00	Not Specified	N/A
One Hundred and Fifty-seven (157) instances where the Authorising Officer Column indicates "VC"						
1	29663	28/02/2022	4400.00	4400.00	VC	CATERLINK - CHRYSTAL AND CO PTY LTD
2	28600	31/08/2021	2640.00	2640.00	VC	GOLDFIELDS PRINTING COMPANY PTY LTD
3	29762	17/03/2022	2196.15	2196.15	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
4	30009	06/05/2022	2167.05	2167.04	VC	OFFICE NATIONAL KALGOORLIE
5	28636	03/09/2021	1980.00	1980.00	VC	RECEPTIVE SECURITY
6	28397	03/08/2021	1871.87	1701.70	VC	OFFICE NATIONAL KALGOORLIE
7	29536	07/02/2022	1842.50	1842.50	VC	PREMIUM PUBLISHERS - VANGUARD PUBLISHING PTY LTD
8	28861	14/10/2021	1788.46	1792.90	VC	VISIT BRANDS PTY LTD
9	28452	10/08/2021	1718.46	0.00	VC	XX Do Not Use VISIT GROUP, VISIT MERCHANDISE XX
10	29951	26/04/2022	1498.00	1498.00	VC	KALGOORLIE RETRAVISION - DORSETT RETAIL PTY LTD
11	28705	17/09/2021	1424.90	1424.90	VC	BUNNINGS BUILDINGS SUPPLIES
12	29305	20/12/2021	1320.00	1320.00	VC	TOURISM COUNCIL WA
13	29824	29/03/2022	1287.00	1287.00	VC	THOMPSON SIGNS
14	29235	13/12/2021	1276.00	1276.00	VC	MISTER SIGNS
15	29498	01/02/2022	1200.00	1200.00	VC	ECO SPRINGS
16	29730	10/03/2022	1123.65	1135.95	VC	HESPERIAN PRESS
17	28417	04/08/2021	1066.85	1059.50	VC	HESPERIAN PRESS
18	28737	23/09/2021	1031.97	1031.97	VC	THE NATIONAL TRUST OF AUSTRALIA (WA) { PERTH }

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
19	28406	04/08/2021	994.29	1002.63	VC	VANESSA AUSTRALIA
20	29836	30/03/2022	902.00	902.00	VC	THOMPSON SIGNS
21	28414	04/08/2021	866.00	0.00	VC	XX Do Not Use VISIT GROUP, VISIT MERCHANDISE XX
22	29891	11/04/2022	851.20	851.20	VC	BUNNINGS BUILDINGS SUPPLIES
23	29794	25/03/2022	816.11	728.59	VC	VANESSA AUSTRALIA
24	29893	11/04/2022	800.00	0.00	VC	WOOLWORTHS LTD
25	30006	05/05/2022	800.00	398.00	VC	BUNNINGS BUILDINGS SUPPLIES
26	30010	06/05/2022	800.00	800.00	VC	CARWYN MONCK
27	28420	04/08/2021	796.16	794.31	VC	AUSTRALIAN TOURIST SOUVINERS
28	28978	02/11/2021	793.65	793.49	VC	VANESSA AUSTRALIA
29	28924	26/10/2021	748.00	748.00	VC	KALGOORLIE RETRAVISION - DORSETT RETAIL PTY LTD
30	29362	10/01/2022	724.00	724.00	VC	GOLDFIELDS LOCKSMITHS - TNS ACCESS & SECURITY SOLUTIONS PTY LTD
31	28412	04/08/2021	685.00	687.50	VC	TRUSTEE FOR T D UNIT TRUST T/A MAP CREATIVE
32	29788	24/03/2022	659.11	659.08	VC	OFFICE NATIONAL KALGOORLIE
33	28669	13/09/2021	640.04	723.99	VC	VANESSA AUSTRALIA
34	29721	10/03/2022	623.83	623.83	VC	VANESSA AUSTRALIA
35	28944	28/10/2021	600.00	600.00	VC	ECO SPRINGS
36	29927	19/04/2022	600.00	600.00	VC	ECO SPRINGS
37	29797	25/03/2022	579.40	588.61	VC	DAVRIC AUSTRALIA
38	28408	04/08/2021	574.28	0.00	VC	ROO-TEA PTY LTD T/A ROOGENIC
39	29008	08/11/2021	550.00	550.00	VC	EDWORKS MEDIA - CHRIS EDMONDSON
40	29404	13/01/2022	550.00	550.00	VC	AUSTRALIAN MUSEUMS AND GALLERIES ASSOCIATION
41	29803	28/03/2022	547.50	550.00	VC	AUSCOINWEST
42	29285	17/12/2021	538.60	544.54	VC	VANESSA AUSTRALIA
43	28788	04/10/2021	509.40	560.34	VC	GOLDFIELDS TOURISM NETWORK ASSOC INC - GOLDEN QUEST DISCOVERY TRAIL
44	29134	26/11/2021	500.00	204.60	VC	EMYJOR SERVICES - GRB RESOURCES PTY LTD
45	29549	09/02/2022	500.00	0.00	VC	RUSTED STRINGS - MARCUS MCGUIRE
46	29910	13/04/2022	500.00	450.00	VC	RUSTED STRINGS - MARCUS MCGUIRE

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
47	28814	08/10/2021	493.00	290.40	VC	AUSCOINSWEST
48	29657	25/02/2022	478.50	478.50	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
49	29598	17/02/2022	464.75	464.75	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
50	29126	26/11/2021	443.92	443.92	VC	SLIMLINE WAREHOUSE - THE JESSEN GROUP PTY LTD
51	29092	23/11/2021	429.18	429.18	VC	OFFICE NATIONAL KALGOORLIE
52	29552	09/02/2022	400.00	400.00	VC	DREW GODDARD
53	28307	20/07/2021	394.00	396.00	VC	AUSCOINSWEST
54	28413	04/08/2021	384.55	384.54	VC	GOLDFIELDS TOURISM NETWORK ASSOC INC - GOLDEN QUEST DISCOVERY TRAIL
55	29120	25/11/2021	376.05	0.00	VC	SLIMLINE WAREHOUSE - THE JESSEN GROUP PTY LTD
56	30305	19/07/2022	374.50	0.00	VC	VANESSA AUSTRALIA
57	30156	07/06/2022	370.70	370.70	VC	RECEPTIVE SECURITY
58	29759	17/03/2022	364.05	344.30	VC	DAVRIC AUSTRALIA
59	29916	14/04/2022	354.20	354.20	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
60	29529	04/02/2022	352.11	352.11	VC	OFFICE NATIONAL KALGOORLIE
61	28963	01/11/2021	349.69	349.69	VC	RECEPTIVE SECURITY
62	29935	21/04/2022	349.00	349.00	VC	HARVEY NORMAN AV/IT KALGOORLIE - ORLIAVIT PTY LTD
63	28479	12/08/2021	330.00	330.00	VC	AUSTRALIAS GOLDEN OUTBACK
64	28785	04/10/2021	330.00	121.00	VC	EMYJOR SERVICES - GRB RESOURCES PTY LTD
65	28458	10/08/2021	319.75	315.00	VC	SHOP FOR SHOPS
66	29392	12/01/2022	317.68	317.68	VC	KALGOORLIE REFRIGERATION AND AIRCONDITIONING - THE TRUSTEE FOR BEIL AND DOWDLE FAMILY TRUST
67	28599	31/08/2021	308.08	308.08	VC	OFFICE NATIONAL KALGOORLIE
68	28508	18/08/2021	300.00	300.94	VC	RED DOT
69	28509	18/08/2021	300.00	159.88	VC	BUNNINGS BUILDINGS SUPPLIES
70	28751	24/09/2021	300.00	123.82	VC	BUNNINGS BUILDINGS SUPPLIES
71	29180	06/12/2021	300.00	203.87	VC	BUNNINGS BUILDINGS SUPPLIES
72	29509	02/02/2022	300.00	227.90	VC	BUNNINGS BUILDINGS SUPPLIES
73	30005	05/05/2022	300.00	277.20	VC	WOOLWORTHS LTD
74	29712	09/03/2022	298.00	298.00	VC	BUNNINGS BUILDINGS SUPPLIES

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
75	28721	22/09/2021	290.00	290.00	VC	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
76	28415	04/08/2021	282.20	190.63	VC	DAVRIC AUSTRALIA
77	29936	21/04/2022	262.84	245.72	VC	OFFICE NATIONAL KALGOORLIE
78	28416	04/08/2021	259.40	239.40	VC	HEMA MAPS PTY LTD
79	28348	27/07/2021	250.00	187.48	VC	WOOLWORTHS LTD
80	28379	30/07/2021	250.00	173.07	VC	WOOLWORTHS LTD
81	28610	01/09/2021	250.00	119.55	VC	BUNNINGS BUILDINGS SUPPLIES
82	28611	01/09/2021	250.00	106.46	VC	BUNNINGS BUILDINGS SUPPLIES
83	28991	04/11/2021	250.00	250.00	VC	BOUNCY FUN ENTERTAINMENT
84	28598	31/08/2021	249.56	249.56	VC	MISTER SIGNS
85	28421	04/08/2021	242.38	285.19	VC	QUALITY PUBLISHING AUSTRALIA
86	29729	10/03/2022	219.89	51.60	VC	WA NATURALLY PUBLICATIONS
87	28741	23/09/2021	200.00	104.87	VC	WOOLWORTHS LTD
88	28780	01/10/2021	200.00	96.10	VC	WOOLWORTHS LTD
89	29061	18/11/2021	200.00	81.65	VC	BUNNINGS BUILDINGS SUPPLIES
90	29231	10/12/2021	200.00	215.78	VC	WOOLWORTHS LTD
91	29345	06/01/2022	200.00	132.50	VC	BUNNINGS BUILDINGS SUPPLIES
92	28656	09/09/2021	190.00	200.41	VC	OFFICE NATIONAL KALGOORLIE
93	29689	02/03/2022	190.00	190.00	VC	TOURISM COUNCIL WA
94	28894	20/10/2021	180.00	180.00	VC	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
95	28959	01/11/2021	180.00	167.97	VC	BUNNINGS BUILDINGS SUPPLIES
96	28960	01/11/2021	180.00	199.70	VC	WOOLWORTHS LTD
97	29074	19/11/2021	180.00	134.60	VC	WOOLWORTHS LTD
98	29104	24/11/2021	180.00	145.35	VC	WOOLWORTHS LTD
99	29179	05/12/2021	180.00	53.75	VC	WOOLWORTHS LTD
100	29117	25/11/2021	170.00	170.00	VC	COFFEE MACHINE WAREHOUSE - GLOBAL COFFEE EMPORIUM
101	29481	27/01/2022	168.14	156.66	VC	OFFICE NATIONAL KALGOORLIE
102	28422	04/08/2021	162.41	0.00	VC	WA NATURALLY PUBLICATIONS
103	28454	10/08/2021	160.00	160.00	VC	TANIA FRANCIS HIGGINS

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
104	29769	21/03/2022	156.75	156.75	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
105	28583	27/08/2021	150.00	116.64	VC	WOOLWORTHS LTD
106	28584	27/08/2021	150.00	125.22	VC	WOOLWORTHS LTD
107	28586	27/08/2021	150.00	89.98	VC	RED DOT
108	28763	30/09/2021	150.00	131.60	VC	WOOLWORTHS LTD
109	28852	13/10/2021	150.00	85.35	VC	WOOLWORTHS LTD
110	28905	22/10/2021	150.00	106.50	VC	BUNNINGS BUILDINGS SUPPLIES
111	29075	19/11/2021	150.00	98.00	VC	HARVEY NORMAN AV/IT KALGOORLIE - ORLIAVIT PTY LTD
112	29500	01/02/2022	150.00	0.00	VC	OFFICE NATIONAL KALGOORLIE
113	29502	01/02/2022	150.00	120.77	VC	BUNNINGS BUILDINGS SUPPLIES
114	29550	09/02/2022	150.00	200.00	VC	ANGE LEECH ART OUTBACK
115	29551	09/02/2022	150.00	150.00	VC	VICTOR CHURCHILL DALE
116	29814	29/03/2022	150.00	220.70	VC	WOOLWORTHS LTD
117	29942	26/04/2022	150.00	134.20	VC	WOOLWORTHS LTD
118	29724	10/03/2022	147.00	147.00	VC	WAJON PUBLISHING COMPANY
119	28439	09/08/2021	145.00	145.00	VC	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
120	29728	10/03/2022	140.00	140.00	VC	LORRAINE KELLY
121	29727	10/03/2022	139.70	129.70	VC	HEMA MAPS PTY LTD
122	29273	15/12/2021	133.27	0.00	VC	MORAN STORE - BOOTHEY FAMILY (IGA COOLGARDIE)
123	29571	11/02/2022	132.68	132.68	VC	OFFICE NATIONAL KALGOORLIE
124	28410	04/08/2021	132.20	101.94	VC	FREMANTLE PRESS
125	29656	25/02/2022	126.50	126.50	VC	GOLDFIELDS ELECTRICAL CONTRACTORS
126	28411	04/08/2021	124.50	124.50	VC	CYRIL AYRIS
127	29726	10/03/2022	124.50	124.50	VC	CYRIL AYRIS
128	28943	28/10/2021	120.00	100.06	VC	OFFICE NATIONAL KALGOORLIE
129	29710	09/03/2022	107.83	98.32	VC	OFFICE NATIONAL KALGOORLIE
130	29661	28/02/2022	107.50	107.50	VC	SEARCHTECH PTY LTD
131	28638	03/09/2021	100.15	149.42	VC	OFFICE NATIONAL KALGOORLIE
132	28507	18/08/2021	100.00	106.00	VC	WOOLWORTHS LTD

No	Order Number	Order Date	Order Value	Invoice Amount	Authorising Officer	Name
133	28526	20/08/2021	100.00	89.98	VC	RED DOT
134	28637	03/09/2021	100.00	72.50	VC	KMART AUSTRALIA
135	28639	03/09/2021	100.00	58.70	VC	OFFICE NATIONAL KALGOORLIE
136	28740	23/09/2021	100.00	33.52	VC	BUNNINGS BUILDINGS SUPPLIES
137	28921	26/10/2021	100.00	100.00	VC	SARA LOUISE WHINCUP
138	29398	12/01/2022	100.00	60.00	VC	WOOLWORTHS LTD
139	29542	08/02/2022	95.52	95.40	VC	JOURNEY JOTTINGS
140	29817	29/03/2022	94.60	94.60	VC	BIDFOOD KALGOORLIE - GOLDLINE DISTRIBUTORS PTY LTD
141	29151	01/12/2021	90.00	90.00	VC	TANIA FRANCIS HIGGINS
142	29340	05/01/2022	90.00	90.00	VC	TANIA FRANCIS HIGGINS
143	29711	09/03/2022	83.24	79.08	VC	BUNNINGS BUILDINGS SUPPLIES
144	29562	09/02/2022	75.00	45.00	VC	RED DOT
145	29599	17/02/2022	75.00	75.00	VC	TANIA FRANCIS HIGGINS
146	29662	28/02/2022	69.00	69.00	VC	OFFICE NATIONAL KALGOORLIE
147	28901	21/10/2021	60.00	60.00	VC	TANIA FRANCIS HIGGINS
148	29600	17/02/2022	60.00	50.93	VC	BUNNINGS BUILDINGS SUPPLIES
149	28385	02/08/2021	50.00	0.00	VC	WOOLWORTHS LTD
150	29093	23/11/2021	50.00	45.85	VC	BUNNINGS BUILDINGS SUPPLIES
151	28746	24/09/2021	43.35	43.33	VC	BIDFOOD KALGOORLIE - GOLDLINE DISTRIBUTORS PTY LTD
152	30307	19/07/2022	40.46	0.00	VC	WA NATURALLY PUBLICATIONS
153	29919	14/04/2022	38.74	35.84	VC	BUNNINGS BUILDINGS SUPPLIES
154	29554	09/02/2022	30.00	50.82	VC	OFFICE NATIONAL KALGOORLIE
155	30302	19/07/2022	25.00	0.00	VC	CASEY AUSTRALIA TOURS
156	29415	13/01/2022	24.00	9.29	VC	BUNNINGS BUILDINGS SUPPLIES
157	29822	29/03/2022	21.94	21.93	VC	BIDFOOD KALGOORLIE - GOLDLINE DISTRIBUTORS PTY LTD

APPENDIX 4: TOO FEW QUOTES SOUGHT

Six (6) instances where sampled purchase orders did not seek the required numbers of quotations:

PO Num.	Vendor	Date	Total incl. GST (\$)	Quotes Required	Quotes Provided
29356	WA LOCAL GOVERNMENT ASSOCIATION - WALGA	07/01/2022	\$3217.50	1	0
29838	UNIQCO INTERNATIONAL PTY LTD	31/03/2022	\$17,600.00	2	0
29312	DALLCON - DALWALLINU CONCRETE PTY LTD	21/12/2021	\$103,549.60	3	2
28256	DIVERSECO	06/07/2021	\$112,134.00	3	2
28351	LGIS WA	27/07/2021	\$182,126.49	3	1
28435	ST JOHN MEDICAL KAMBALDA - APOLLO HEALTH LTD	06/08/2021	\$300,000.00	<i>Tender</i>	0

APPENDIX 5: INADEQUATE EXPENDITURE DOCUMENTATION

Twelve (12) instances where inadequate expenditure documentation was provided for monthly credit card reconciliations:

Period	Card Holder	All Expenditure Documentation Provided?
July 2021	Manager Executive Services	No
September 2021	CEO	No
September 2021	Manager Executive Services	No
October 2021	Commercial Manager	No
October 2021	Deputy CEO	No
December 2021	CEO	No
February 2022	CEO	No
March 2022	CEO	No
April 2022	CEO	No
April 2022	Deputy CEO	No
May 2022	CEO	No
June 2022	CEO	No

Four (4) instances where transactions had no evidence provided:

Card Holder	Period	Date	Total incl. GST (\$)	Details
Commercial Manager	October 2021	1/11/2021	169.00	Microsoft*Store Msbill.Info, Windows 10/11 Pro
Deputy CEO	October 2021	1/11/2021	587.46	Qantas Air, Flights [name redacted] Kal-Per Return 8-12 Nov 2021 - Ranger Training
Deputy CEO	October 2021	1/11/2021	410.50	Booking.Com Australia, Accommodation for [redacted] 25 - 27 Nov 2021 - Nuts and Bolts Moore Australia Course
Deputy CEO	October 2021	2/11/2021	4.30	Facebk *Wvtprbfeh2 Campaign Customer Service

APPENDIX 6: CREDITORS LISTING EXCEPTIONS

One-hundred-two (102) instances of active creditors unused since 2018 or prior:

#	Creditor Name	Date Last Used
1	KIRKBY BOBCAT AND EXCAVATIONS PTY LTD	19/12/2018
2	CBS CITY BUILDING	11/12/2018
3	Arta Enterprises -Highway Tilt Towing	05/12/2018
4	INDUSTRIAL ROADPAVERS (WA) PTY LTD	30/11/2018
5	Joshua Brooking	28/11/2018
6	TENEMENT ADMINISTRATION SERVICES PTY LTD	20/11/2018
7	YOUR NATURAL SELF	15/11/2018
8	NED NGAHI ALBERT	13/11/2018
9	CIVIC WORKFORCE MANAGEMENT	13/11/2018
10	Onsite Trailer Repair & Service P/L	09/11/2018
11	MATSA RESOURCES LTD	07/11/2018
12	BOTANICA CONSULTING PTY LTD	07/11/2018
13	SOUND AND PICTURE SOLUTIONS	02/11/2018
14	EMERGE TECHNOLOGIES	31/10/2018
15	MASTEC AUSTRALIA PTY LTD	31/10/2018
16	QUALITY DESIGN DRAFTING PTY LTD	30/10/2018
17	DAVID GRAY & CO PTY LTD	30/10/2018
18	Jupiter Health & Medical Services Pty Ltd	29/10/2018
19	Belridge Holdings Pty Ltd T/A Ricciardo Earthmoving	24/10/2018
20	LGIS - RISK MANAGEMENT	16/10/2018
21	Chris Hicks Pty Ltd	16/10/2018
22	PACIFIC BRANDS WORKWEAR GROUP PTY LTD	15/10/2018
23	EMMA MAREE MAYALL	04/10/2018
24	RAWLINSONS (WA) PTY LTD	01/10/2018
25	BULLSEYE MINING LIMITED	29/09/2018
27	Trevor Phillips & Associates	27/09/2018
28	KALGOORLIE PRECAST CONCRETE	24/09/2018

#	Creditor Name	Date Last Used
29	Goldfields Builders Hire & Goldfields Septic Disposals	10/09/2018
30	HOWSON MANAGEMENT PTY LTD	29/08/2018
31	TUNA BLUE	29/08/2018
32	Building and Construction Industry Training Fund CONSTRUCTION TRAINING FUND	24/08/2018
33	AUSTRALIAN MINING CITIES ALLIANCE LTD	17/08/2018
34	ESPLANADE HOTEL FREMANTLE	14/08/2018
35	Coolgardie Gold Rush Motels	14/08/2018
36	HOLTON CONNOR ARCHITECTS & PLANNERS	03/08/2018
37	MOUNTS BAY WATERS APARTMENT HOTEL	03/08/2018
38	GOLDCOM	13/07/2018
39	THE VALVE COMPANY PTY LTD	09/07/2018
40	XX Do Not Use WORMALD XX	28/06/2018
41	KBD HAULAGE (WA) PTY LTD	27/06/2018
42	TOWER MEDICAL CENTRE - M.D.HODSDON PTY LTD	22/06/2018
43	The Phoenix Perspective	22/06/2018
44	JEEPS OF FUN	14/06/2018
45	HOLCIM (AUSTRALIA) PTY LTD	07/06/2018
46	TUDOR HOUSE	05/06/2018
47	Workplace Training Advisory Australia Pty Ltd	24/05/2018
48	Drilling Australia Pty Ltd	18/05/2018
49	Madaline KEAST	16/05/2018
50	CURTAIN VILLA	10/05/2018
51	RAMP CHAMP	03/05/2018
52	BOQ Asset Finance & Leasing Pty Limited	02/05/2018
53	Kalactive	01/05/2018
54	SAVILLS VALUATIONS PTY LTD	30/04/2018
55	DIGITAL MAPPING SOLUTIONS	27/04/2018
56	Alliance Mineral Assets Ltd	26/04/2018
57	Thecomputerschool.net	23/04/2018
58	HOSPITALITY & KITCHEN NEEDS PTY LTD	23/04/2018
59	LANDERS BUILDING COMPANY	20/04/2018

#	Creditor Name	Date Last Used
60	Wild West Plant Hire	19/04/2018
61	HOLCIM (AUSTRALIA) PTY LTD	16/04/2018
62	Admire Painting Services	06/04/2018
63	DONEGAL LANFRANCHI PTY LTD	05/04/2018
64	MERMAID LEATHER	01/04/2018
65	COOLGARDIE COMMUNITY CARE	23/03/2018
66	BLACK MOUNTAIN GOLD LIMITED	22/03/2018
67	CONSCIOUS LIVING PILATES	21/03/2018
68	Darren Wallace (Wallace Engineering)	05/03/2018
69	DC RETICULATION	27/02/2018
70	BARRA RESOURCES LTD	22/02/2018
71	MARC PETTITT	21/02/2018
72	Eastern Goldfields	14/02/2018
73	Hailiang Australian Agriculture Development Pty Ltd	01/02/2018
74	IW PROJECTS	31/01/2018
75	GRIFFIN VALUATION ADVISORY	30/01/2018
76	CBUS	30/01/2018
77	MAPS GROUP LTD t/a Procurement Australia	18/01/2018
78	SQUIRE PATTON BOGGS	22/12/2017
79	INSTANT WINDSCREENS	23/11/2017
80	MOBILE PEST CONTROL	17/11/2017
81	PUBLIC LIBRARIES WESTERN AUSTRALIA	21/09/2017
82	KALGOORLIE SALVAGE AND DEMOLITION	23/08/2017
83	ATLAS LINEN SERVICE - ELSIDE CORPORATION PTY LTD	11/05/2017
84	ALL FLAGS SIGNS AND BANNERS, Wagener Holdings	24/04/2017
85	KALGOORLIE MONUMENTAL WORKS	21/04/2017
86	TELSTRA DAMAGE COST RECOVER AND MANAGEMENT	19/04/2017
87	AIT SPECIALISTS PTY LTD	30/03/2017
88	TECHNOGYM AUSTRALIA PTY LTD	30/03/2017
89	KAMBALDA MASTERS FOOTBALL CLUB	23/01/2017
90	FLIGHT CENTRE	28/12/2016

#	Creditor Name	Date Last Used
91	Hope Community Services	22/09/2016
92	SITECRAFT	17/06/2016
93	KERRY ANNE ROGERS-BENNETT	30/10/2013
94	ZIPFORM PTY LTD	30/10/2013
95	DESERT CONCRETE	28/06/2013
96	TOYWORLD KALGOORLIE	05/04/2013
97	BELLINS S.W.&P.J.PTY LTD	27/01/2013
98	LITE INDUSTRIES PTY LTD	19/01/2012
99	AUSTRALIAN LABORATORY SERVICES PTY LTD	13/10/2011
100	CIVEO	30/08/2011
101	BUILDING MANAGEMENT & WORKS	24/05/2011
102	PAT LEIGHTON CHARTERED ACCOUNTANT	20/12/2010

Twenty-four (24) instances of duplicate bank details:

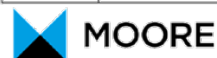
#	Bank Details	Number of Occurrences
1	012-010 836709968	4
2	086-712 346746264	2
3	066-511 10149454	2
4	036-125 489350	2
5	066-040 12000013	2
6	014-002 775238014	2
7	066-514 10522353	2
8	016-002 836346829	2
9	012-003 837262862	2
10	736-125 733410	2
11	016-560 313916648	2
12	064-486 10646277	2
13	016-710 192000434	2
14	066-040 16300005	2
15	016-710 428535532	2
16	066-514 10468887	2



17	016-719 201587602	2
18	086-131 463230208	2
19	016-719 519153193	2
20	306-047 0297659	2
21	017-906 000404365	2
22	923-100 62667755	2
23	034-002 709844	2
24	036-031 145194	2

Twenty-two (22) instances of duplicate email addresses:

#	Contact Email	Number of Occurrences
1	natalie.mauger@mmts.net.au	5
2	Glenney@industrylinkmedia.com	2
3	kiansc2009@hotmail.com	2
4	accounts@tellusholdings.com	2
5	kambaldacrc@coolgardie.wa.gov.au	2
6	admin.kambalda.wa@raywhite.com	2
7	leeandbec47@bigpond.com	2
8	admin@kbrc.com.au	2
9	accounts@ashdown-ingram.com.au	2
10	admin@lgiswa.com.au	2
11	h1754-gl@accor.com	2
12	bboyle@monocorp.com.au	2
13	kathielindup@yahoo.com.au	2
14	BE.Levy@dmirs.wa.gov.au	2
15	leanne@wts.net.au	2
16	braden.brs@hotmail.com	2
17	Mia.hicks@gmail.com	2
18	CEO@COOLGARDIE.WA.GOV.AU	2
19	accounts@strategictenements.com	2
20	receivables@dph.wa.gov.au	2
21	e.mayall1@bigpond.com	2



22	events@rededgeevents.com	2
----	--------------------------	---

Ten (10) instances of duplicate phone numbers

#	Contact Phone Number	Number of Occurrences
1	9091 1693	2
2	0890802111	2
3	02 8257 3395	2
4	08 6467 7997	2
5	9021 9600	2
6	08 9022 2871	2
7	0488 060 206	2
8	9271 8435	2
9	08 9068 3100	2
10	08 9380 3100	2

Fifteen (15) instances of duplicate addresses:

#	Contact Address	Number of Occurrences
1	C/- MCMAHON MINING TITLE SERVICES PTY LTD PO BOX 592 MAYLANDS WA 6931	4
2	PO BOX 1003 WEST PERTH WA 6872 AUSTRALIA	2
3	PO BOX 6456 EAST PERTH WA 6892 AUSTRALIA	2
4	PO BOX 138 KAMBALDA WA 6442 AUSTRALIA	2
5	2 HUNT STREET COOLGARDIE WA 6429	2
6	PO BOX 8011 KALGOORLIE WA 6430 AUSTRALIA	2
7	7 SEWELL DRIVE KALGOORLIE WA 6430 AUSTRALIA	2
8	PO BOX 1351 MORLEY WA 6053	2
9	76 BAYLEY STREET COOLGARDIE WA 6429	2
10	PO BOX 60 COOLGARDIE WA 6429	2
11	83 KING STREET COOLGARDIE WA 6429	2
12	PO BOX 65 KAMBALDA WA 6442 AUSTRALIA	2
13	104 FORREST STREET COOLGARDIE WA 6429 AUSTRALIA	2
14	137 BURT STREET BOULDER WA 6432 AUSTRALIA	2



15	C/- WESTERN TENEMENTS SERVICES PO BOX 3285 EAST PERTH WA 6892	2
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HELPING YOU THRIVE IN A CHANGING WORLD



**INTERNAL AUDIT
RISK MANAGEMENT**

Shire of Coolgardie

2 September 2022



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1. EXECUTIVE SUMMARY

1.1. Background

Risk management is an integral part of good management practice and an essential element of sound corporate governance. Risk management involves establishing an appropriate framework and culture, and applying a logical and systematic method to identify and manage risks by:

- complementing and communicating an organisational policy;
- balancing risk and opportunity within organisational policies;
- defining the organisation's Risk Appetite and Tolerance to inform decision making;
- training Council Members, Audit and Risk Committee Members, Management, and Officers in their risk management, and oversight responsibilities
- identifying, analysing, evaluating, treating, monitoring, and communicating risks associated with any activity, function or process in a way that will maximise the potential to achieve strategic objectives and minimise risks within Risk Appetite and tolerance.

Risk Management is a critical part of the First Line of Defense. This is represented in Figure 1 below.

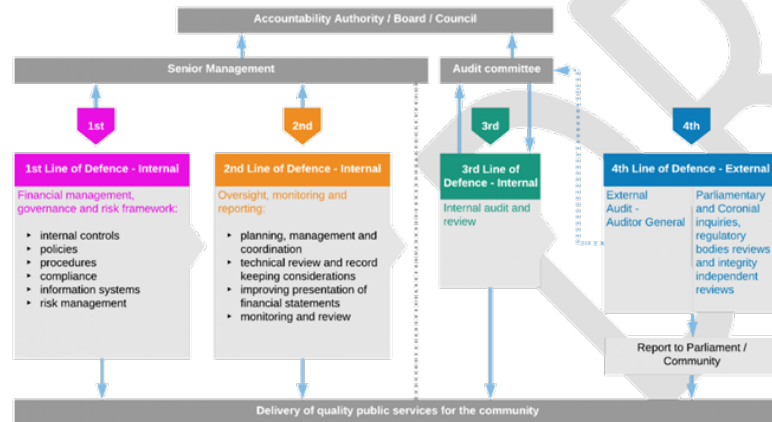


Figure 1: Four Lines of Defense Model. Source: office of the Auditor General

1.2 Objective and Scope

The objective of the review was to determine the compliance, efficiency, and effectiveness of the Risk Management Framework and its consideration of better practice principles.

The scope included consideration of:

- policy framework and practices
- implementation of the above policy framework
- awareness and training programs
- extent of consideration of better practice principles
- any opportunities for improvement and efficiency in processes, compliance, monitoring or otherwise

1.3. Summary of Work Performed

This review has been conducted in accordance with the 'International Standards for the Professional Practice of Internal Auditing' contained in the 'International Professional Practices Framework' issued by the Institute of Internal Auditors.

In our professional judgement, sufficient and appropriate audit procedures were completed, and appropriate evidence gathered to support the accuracy of the conclusions reached and contained in this report.

Risk Management Model

There are four elements which have been assessed within the internal audit engagement. This includes Culture and Capability, Risk Management Framework, Monitoring and Reporting, and Performance Measurement.

1. Capability and Culture	The risk culture as well as the capability of the people involved in risk management within the Shire.
2. Risk Management Framework	Comprehensive governance framework to manage risk within the Shire.
3. Monitoring and Reporting	Transparent monitoring and reporting the results of the risk management framework within the Shire.
4. Performance Measurement	Measurement of the performance of the Risk Management function within the Shire.

1. EXECUTIVE SUMMARY (CONTINUED)

1.3 Summary of Findings

Moore Australia as an outsourced internal audit provider has completed a review of the Shire’s Risk Management function. This report presents our observations and recommendations arising from the review.

As stated above, there are four areas where we assessed the Risk Management function. These areas included: 1. Culture and Capability, 2. Risk Management Framework, 3. Monitoring and Reporting and 4. Performance Measurement. A summary of the observations against the risk ratings are identified in the Table 2 below.

Area	High	Medium	Low	Total	Recommendation
1. Capability and Culture		9	6	15	1-15
2. Risk Management Framework	5	5		10	16-25
3. Monitoring & Reporting		3	1	4	26-29
4. Performance Measurement		1	3	4	30-33
Total	5	18	10	33	

Table 2: Summary of Findings

The Observations and Recommendations are presented, together with Management comments in Section 7: Observations and Recommendations.

1.4 Risk Management Maturity Model

We have assessed the Risk Management function of the Shire using a maturity model. All categories within the maturity model have been assessed as inadequate.



Figure 2: Risk Management Maturity Model

1. EXECUTIVE SUMMARY (CONTINUED)

1.5 Key Observations

1. Capability and Culture

The Risk Management Capability and Culture is assessed as being Inadequate. There are improvement opportunities identified within the Risk Capability and Culture. These include:

- 1.1 **Resources** - There is no dedicated resource which has overall responsibility for the Shire's Risk Management function. There are two positions which have risk management responsibilities. They have other primary responsibilities and overall risk management is ancillary to those functions. There is also no documented assessment of the adequacy of the resources for Risk Management. Specific Risk Management responsibilities within the two position descriptions are not being performed.
- 1.2 **Strategy** - The Strategic Community Plan 2018 to 2028 was approved by Council on 24 April 2018 and is out of date. It references the superceded Risk Management Standard. It partway does references how effective risk management is in place to achieve the strategic objectives. There is no consideration of the current, new, and emerging risks and the strategy in place to management those risks. It references processes which are not in place within the Shire for risk management. It has Strategic Risks identified however they do not align to the Shire's Risk Management records, The Corporate Business Plan references the superceded Risk Management Standard.
- 1.3 **Audit and Risk Committee** - The Audit and Risk Committee Terms of Reference is included within the Shire of Coolgardie Policy Manual. It does not appear to align with better practice principles. It was last reviewed in October 2020 and so the next review is due and could incorporate these at this time.

The Audit and Risk Committee Terms of Reference outlines many risk management activities some of which which are not being performed including those relating to interna audit activities
- 1.4 **Annual Calendar and Work Plan** - There is no Annual Risk Management Calendar or Annual Work Plan which identifies the Risk Management activities to demonstrate that an effective Risk Management function is in place and to ensure that all deadlines are achieved on a timely basis.

- 1.5 **Awareness and Training** - There is no formal aswareness, induction and regul training of the Council, two Risk Officers, Audit and Risk Committee Members, Ris Owners, Staff, Contractors, Consultants or Volunteers. There is also no formal Ris Management Training Calendar. Training records are not being maintained by th Shire for sessions which were advised were held durng the year. Risk Managem training may include but not limited to include Public Interest Disclosure, Ris Management, Occupation Safety and Health, Business Continuity, Emergenc Management, Incident Management and Disaster Recovery.
- 1.6 **Risk Experts** - There is limited evidence of the consideration of the need for Ris Experts within the Risk Management function. There was one example within th Shire when experts were used for risk management. This excludes legal counsel.
- 1.7 **Induction and Termination**– The Shire does not currently consider Ris Management upon induction and termination of employees. Provision of Awarenes and Training on Risk management matters and identification of Risk Owners: Firewardens etc upon commencement and termination so new ones can b appointed is not performed.
- 1.8 **Budget** - There is currently no budget for Risk Management. A budget may includ training and the use of experts when ideintified as a need by the Shire. There shoul be an annual budget for Risk Management to ensure the Shire has adequat resources and capability to effectively manage risk .
- 1.9 **Access to Risk Manager** - There is no direct access to the Risk Manager by Council Management, Staff, Contractors and Volunteers. This is a key role for the Shire ther should be direct access to raise safety hazards, additional risks, discuss ris mitigation strategies, seek risk experts, advice or training. This may be via a ema address such as risk@coolgardie.wa.gov.au.

1. EXECUTIVE SUMMARY (CONTINUED)

1.5 Key Observations (continued)

2. Risk Management Framework

The Risk Management Framework is assessed as being Inadequate. There are improvement opportunities identified within the Risk Management Framework. These include:

- 2.1 **Risk Management Policy** - There is a Risk Management Policy however it does not reflect practice within the Shire. There are many responsibilities included within the Risk Management Policy which are not being performed. The overall person responsible for Risk Management within the Shire is not identified. Within the Annual Report it says this document is reviewed annually, but it hasn't been. It suggests the Shire is compliant with the Risk Standard but here is no evidence of a compliance assessment being performed.
- 2.2 **Risk Management Strategy and Risk Management Plan** - There is no Risk Management Plan as required by the Audit and Risk Committee Terms of Reference which sets out the proposed approach to Risk Management and how current, new, and emerging risks will be managed. There is a gap between the Risk Management Framework and the practical application of these to the Shire.
- 2.3 **Risk Procedures** – The Risk Procedures are not current and are not approved. There is no review period. The Risk Procedures does not effectively document what the procedures have to be performed to manage risk. The responsibilities outlined within the Risk Procedures are not being performed.
- 2.4 **Risk Register** - The Risk Register is out of date and does not adequately identify strategic risks but rather a number of business risks. It does not include better practice principles Risk Identification, Business Unit Risk Registers, Regular Risk Review, Evidence of controls effectiveness rating, Risk Assessment using an effective weighting of elements, Management of Shared Risks, Risk Categories, complete risks and controls rating of implemented controls. There is no comparison to Risk Appetite and Risk Tolerance. These observations limit the effectiveness of risk management.
- 2.5 **Risk Appetite Statement and Risk Tolerance Statement** - There is reference to a Risk Appetite and Risk Tolerance Statement within the Risk Management Policy however it is not stated, quantified or articulated to be an effective tool to compare the Residual Risk, Strategic Plan, or Risk Register. It is better practice for it to be quantified so it can be compared to Residual Risk and Treatment Actions identified to reduce Residual Risk to within Risk Appetite.
- 2.6 **Risk Management Framework** – The Draft Risk Management Framework (2019) has been provided for audit. This is out of date and has not been approved and has been in progress for many years. It has not been aligned to the relevant legislation and standards and does not fully outline the documentation which underpins the Risk Management Framework.

- 2.7 **Special Activities and Projects**- There are no formal processes for the identification and notification of special activities and project risks which may affect the Shire risk profile. There was a few projects which had elements of risk considered but not in a formal and consistent way.
- 2.8 **Assurance Mapping** - There is no Assurance Map within the Shire which identifies the assurance activities relevant to key risks within the Shire. This will give the Council, Audit and Risk Committee and Management an understanding of which Strategic Risks are not currently covered by recent assurance activities.
- 2.9 **Business Continuity** –A Business Continuity Plan, Disaster Recovery Plan, Incident Management Plan and emergency Management Plan was not provided for audit. These are key risk management goevrnance documents which are cirritical for the Shire to develop, maintain, test. Monitor and report.
- 2.10 **Risk Management Related Policies** There are numerous critical Risk Management related Plans, policies and procedires which are not in development or approved for implementation. This reduces the effective of risk manangement.
- 2.11 **Public Sector Commission PID Officer Directory**- The Public Sector Commission maintains a directory for all PID Officers int eh State and local government. It does not have any PID Officer recorded for the Shire.

3. Monitoring and Reporting

Reporting Risk Management within the Shire is assessed as being Inadequate. There are improvement opportunities identified within Risk Management Monitoring and Reporting. These include:

- 3.1 **Council** - No comprehensive reporting of the Risk Management and/ or Audit and Risk Committee activities to the Council. Currently the Board only receives a copy of the Audit and Risk Committee minutes. Currently thre is no standard agenda for Risk Management.
- 3.2 **Audit and Risk Committee** No comprehensive reporting of the Risk Management activities to the Audit and Risk Committee as required by the Terms of Reference . Currently there is no standard agenda for Risk Management .
- 3.3 **Corporate Executive** No comprehensive reporting of the Risk Management activities to the Corporate Executive. Currently there is no standard agenda for Risk Management.

1. EXECUTIVE SUMMARY (CONTINUED)

1.5 Key Observations (continued)

4. Performance Measurement

Performance Measurement of Risk Management within the Shire is assessed as being Inadequate. There are improvement opportunities identified for Performance Measurement. These include:

- 4.1 **International Standard** The Risk Management Framework does not align to the Risk Management Standard ISO 31000: 2018 (Risk Standard). There is no assessment of extent of compliance with legislative provisions or the Risk Standard for Risk Management to identify non-compliance. There is references to the old Risk Management Standard 31000:2009 in the published Community Strategic Plan.
- 4.2 **Key Performance Indicators** - There are no Key Performance Indicators to measure performance of the Risk Management function.
- 4.3 **Surveys** There are no Surveys to measure performance of the Risk Management function. Surveys are not conducted of select Audit and Risk Committee, Risk Owners, Management, Staff, Contractors, Consultants and Volunteers to gauge feedback on the current Risk Management System.
- 4.4 **Better Practice Principles** There is no comparison of the Risk Management Framework to better practice principles to identify continuous improvement opportunities.

- 3.4 **Data Analytics** Data analytics has not been considered for use in reporting risk management activities. Data analytics can be a very powerful tool to identify risk areas for Management to focus their limited resources for maximum benefit.

1.6 Overall Observation

Risk Management is a critical role in the governance of the Shire. The Council, Audit and Risk Committee, Management, Staff, Contractors, Consultants and Volunteers all have a role to play to ensure it is resourced, efficient and effective.

The quantity and nature of the findings and recommendations demonstrates there is limited Risk Management maturity within the Shire. There is significant investment of resources and time required to improve the risk management culture, capability and risk management framework, monitoring and reporting and performance remeasurement. The Shire may not be able to adequately demonstrate, based on available documentation and existing practice, an effective Risk Management function which requires:

- there is a strategic approach to Risk Management which aligns with the Strategic Plan, Corporate Business Plan
- there are relevant, appropriate approved plans, policies, procedures and registers in place for the periodic awareness, training, identification, assessment, treatment, monitoring and reporting of risks inherent in the operations of the agency
- experts to assist Management where additional technical knowledge is required.

Please refer to [Section 7. Observations and Recommendations for further details.](#)

2. INTRODUCTION

In accordance with the Annual Internal Audit Plan, a review of Risk Management was conducted,

Effective Risk Management would expect to deliver the following outcomes:

- **Allocation of resources** - Allocation and utilisation of limited resources.
- **Action planning and accountability** - Ensuring that issues and opportunities are addressed within a formalised process within acceptable risk level
- **Assurance** - Providing transparency and comfort to stakeholders that risks and opportunities are being managed.
- **Business Intelligence** - Sharing business knowledge and insights.
- **Change agent** - Driving organisational change to improve business efficiency, effectiveness and healthy risk culture.
- **Compliance** - Needs to meet the requirements of relevant regulatory standards and policy obligations.
- **Decision making** - Providing a framework for making improved and informed risk-based decisions within defined parameters.
- **Strategic achievement** - Achieving Strategic objectives.

3. RISK

The review considered the following risks:

- Risk management is not efficient or effective;
- Risk management is not aligned to the Shire's Risk Management Strategy, Risk Management Plan, policy, procedures, guidelines, standards, legislation, or better practice principles;
- Staff are not adequately trained and/ or aware of Risk Management Framework Strategy, Plan, policies, procedures, guidelines, and/ or practices;

- Inadequate identification, management, monitoring and reporting of risks; and
- Operations are being performed and/ or decisions are being made outside of Risk Appetite.

Risk management process does not have adequate oversight by Executive or Audit and Risk Committee and/ or Council;

4. OBJECTIVE AND SCOPE

To assess the adequacy and effectiveness of the Shire's internal controls for Risk Management. The scope of this internal audit includes the following:

- Risk Management Framework, Risk Management Strategy, Risk Management Plan, Strategic Risk Register, Business Unit Risk Registers, Risk Appetite Statement, policies, procedures, and guidelines;
- Extent of compliance within the Shire with relevant Strategy, Plan, policies, procedures, and guidelines;
- Processes at induction and termination for Risk Owners, and use of risk experts;
- Extent of alignment of Shire's Risk Management Framework with better practice principles and Office of the Auditor General Reports (OAG), where relevant;
- Awareness programs and previous and future planned training on Risk Management;
- Reporting to Executive, Audit and Risk Committee, and Council
- Measurement of the effectiveness of the Risk Management function.

The period of review will be 1 July 2022 to 30 June 2022.

5. REVIEW APPROACH

The review is to be conducted primarily by applying discussion, observation, and review techniques, concentrating on:

- Planning meeting with Risk Management Process Owner to understand the current environment, challenges, and opportunities;
- Holding meetings with other relevant stakeholders, where appropriate;
- Review of documentation provided during the internal audit engagement;
- Exit meeting with Risk Management Process Owner to discuss emerging findings;
- Issue of Draft Internal Audit Report;
- Receipt of Management Comments for consideration by Moore Australia;
- Issue of Final Internal Audit Report to Management; and
- Attendance and presentation of the final report to the Audit and Risk Committee, if required.

We also considered the Australian National Audit Office performance audit titled The Management of Risk by Public Sector Entities tabled in Parliament by the Auditor General, Mr Grant Hehir in August 2017.

This audit has been conducted in accordance with the 'International Standards for the Professional Practice of Internal Auditing' contained in the 'International Professional Practices Framework' issued by the Institute of Internal Auditors. In our professional judgement, sufficient and appropriate audit procedures were completed, and appropriate evidence gathered to support the accuracy of the conclusions reached and contained in this report.

We have used a risk rating to identify the impact and priority of the finding. Definitions of the risk ratings are outlined in [Appendix 1 - Key to Significance of Risk Ratings](#).

We have reviewed key documents of the Shire in the performance of this internal audit.

6. ACKNOWLEDGEMENT

We have met with key personnel within the Shire to perform the internal audit engagement. We would like to thank the following personnel for their assistance in the conduct of this audit.

- Mr James Trail Chief Executive Officer
- Ms Bec Horan -Coordinator Major Projects, HR and Governance

7. OBSERVATIONS AND RECOMMENDATIONS

The following section describes the key results of the internal audit of the Shire of Coolgardie Risk Management function.

The reporting is by exception, unless otherwise noted and does not provide details of the good practice that was observed within the Shire

1. Capability and Culture		Rating of Finding
Resources		
Finding 1.1	Resources	Medium
<p>It is critical to effective risk management, for there to be a dedicated resource for risk management. It does not have to be a full time position, however the Shire's should have someone internally accountable and responsible for the risk management function. Experts can be called upon to complement resources and additional resources can be used to support this person.</p> <p>The current resources for the Shire's Risk Management function are:</p> <ul style="list-style-type: none"> • Coordinator Major Projects and Governance • Director Commercial Services <p>The Shire's website has the Coordinator Major Projects and Governance as responsible for Risk Management however:</p> <ul style="list-style-type: none"> • they were not aware of their role and responsibility • they don't have a current JDF • which includes risk management as their responsibility. <p>We have been advised that the Director Commercial Services has a support role for the broader risk management function however only Occupational Safety and Health responsibilities were included in their JDF.</p> <p>There has not been a formal review of the resources required for risk management activities within the Shire which is commensurate with the Risk Appetite of the Shire.</p> <p>Implications Risk Management may be ineffective without a sufficiently resourced central coordination.</p> <p>Management Comment The risk management function has been reviewed as part of the proposed changes to the organizational structure. The functional responsibility for risk management will be with the Deputy CEO. Furthermore the Shire has invested in a reporting and monitoring tool/software called Pulse.</p>		

7. OBSERVATIONS AND RECOMMENDATIONS

1. Capability and Culture			
Resources			Rating of Finding
Finding 1.1 Resources			Medium
Recommendations	Agreed Actions	Action Owner	Target Date
<ol style="list-style-type: none"> Consider the appointment of dedicated Risk Manager for the Shire who is responsible for the coordination of Risk Management activities. This can be with other roles and responsibilities. Regularly consider the resourcing of the Risk Management function, and if it currently meets expectations. This may include the convening of a Risk Management Group to support the Risk Manager. Updating JDF's to ensure they specifically include risk management activities. 	Recommendations 1 and 2 will be considered	CEO	November 2022

DRAFT

6. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. CapaShire and Culture			
Strategy			Risk Rating
Finding 1.2 Strategy			Medium
<p>The achievement of Strategic Objectives is critically influenced by the effective management of Strategic Risks. There is a need to understand the relationship between the two and clearly articulate the emerging risks and how they are going to be managed so that they don't impact of the achievement of the Strategic Objectives.</p> <p>The Strategic Community Plan 2018 to 2028 was approved by Council on 24 April 2018 and is out of date. It is better practice to update these on a regular basis.</p> <p>Further to this, the Strategic Community Plan references the superceded Risk Management Standard AS NZ ISO 31000: 2009. It partway does references how effective risk management is in place to achieve the strategic objectives. There is no consideration of the current, new, and emerging risks and the strategy in place to management those risks. It references processes which are not in place within the Shire for risk management. It has Strategic Risks identified however they do not align to the Shire's Risk Management records.</p> <p>The Corporate Business Plan also references the superceded Risk Management Standard AS NZ ISO 31000: 2009.</p> <p>Implication Risk Management may not be effective.</p> <p>Management Comment This is being considered as part of the major review of the Community Strategic Plan</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
3. Review and update the Strategic Community Plan and document current and emerging risks and how effective Risk Management is in place to achieve the Strategic Objectives, Vision, Mission, and Purpose. Update references to the risk standard.	Recommendation 3 to be considered	Deputy CEO	October 2022
4. Review and approve the Corporate Business Plan and ensure it aligns with the Strategic Risk Register. Update references to the risk standard.	Recommendation 4 to be considered	Deputy CEO	November 2022

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. CapaShire and Culture			
Audit and Risk Committee			Risk Rating
Finding 1.3 Audit and Risk Committee			Medium
<p>The Audit and Risk Committee has general oversight of risk management activities within the Shire. The Terms of Reference should be contemporary, be performed within the Shire on a timely basis. It was last reviewed in October 2020 and is out of date as it is required to be reviewed annually.</p> <p>The Terms of Reference are included within the Policy Manual of the Shire however does not align to better practice principles such as those provided by the Office of the Auditor General.</p> <p>The Terms of Reference includes many risk management activities which are not currently being performed within the Shire. It is important for the Audit and Risk Committee to perform all aspects of the Terms of Reference to ensure effective oversight of risk management.</p> <p>An Audit and Risk Committee Calendar is the planned Agenda Items which are planned to be discussed at the scheduled Audit and Risk Committee meetings.</p> <p>Implications</p> <p>Sound governance reflecting better practice principles for Risk Management may not be implemented.</p>			
Management Comment			
Management notes the Finding and agreed to implement.			
Recommendations	Agreed Actions	Action Owner	Target Date
5. Review the Audit and Risk Committee Terms of Reference to ensure it aligns with better practice principles	Recommendations 5-7 agreed to be implemented	Deputy CEO	October 2022 COMPLETED
6. Ensure the role and responsibility of the Audit and Risk Committee is being performed efficiently and effectively each year.			
7. Develop and implement an Audit and Risk Committee Calendar			

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. CapaShire and Culture			
Annual Work Plan and Calendar			Risk Rating
Finding 1.4 Annual Work Plan			Low
<p>A Risk Management Annual Work Plan is good governance and critical for the effective delivery of all risk management activities on a timely basis. It has the outcomes and activities identified, prioritised, performed with the status reported to Management on a timely basis. There is currently no Risk Management Annual Work Plan within the Shire. Activities within the Risk Management Policy are not performed as risk management activities are not organized</p> <p>Implication There is a risk the Risk Management activities are not performed as they are not balanced with other work priorities of the Risk Manager.</p> <p>Management Comment Management will consider the finding.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
8. Develop, approve, document, monitor and report on a Risk Management Annual Work Plan, which identifies the Risk Management events that are scheduled to occur to ensure that all deadlines are met on a timely basis.	Recommendation to be considered	Deputy CEO	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. Capability and Culture			
Awareness and Training			Risk Rating
Finding 1.5	Awareness and Training		Low
<p>Formal Risk Management training is essential to ensure everyone within the Shire understands their role and responsibilities for risk management. Training at induction and at regular intervals is good governance.</p> <p>We understand there is no Risk Management Future Training Program. We also understand there has been no induction or regular training of Audit and Risk Committee Members, Risk Managers, Risk Owners, Staff, Contractors, Consultants or Volunteers generally on Risk Management. Training records are not maintained for sessions which are held during the year.</p> <p>Further to this there has been no training these key Risk Management areas which requires regular training on the following:</p> <ul style="list-style-type: none"> • Business Continuity Management, Disaster Recovery, Emergency Management, Incident Management • Occupational Safety and Health • Public Interest Disclosures • Risk Management <p>Implication</p> <p>Staff may not be aware and trained of their role and responsibilities or be capable to perform risk management</p> <p>Ineffective risk management within the Shire</p>			
Management Comment			
<p>Relevant risk training at staff inductions was due to be updated however resource changes within the HR department impacted on that timeline. It had already been added as an action to the WHS action plan. Hazard and Risk Training has also occurred in the past on a number of occasions however it may not have been formally recorded. SLAM Books (Risk Assessments) have been utilised in the business for some time and further training around this was occurring across the business in July. (This had already been identified to be needed in April /May as a refresher for staff and new staff). Emergency Management (In terms of Emergency Evacuation) is in progress of being updated via LGIS however there have been some unfortunate delays. It is still on the WHS Action plan. Incident Management is currently being addressed via training on the MYOSH system with new Shire WHS Lead which will then be rolled out to staff. Staff training on their roles and responsibilities had also been highlighted before as being needed and is currently being worked through with HR. Contractor and Visitor Management was also on the agenda to discussed in WHS Site July's visit. (which had been identified as needed back in Early 2022 however we were waiting on legislation changes and being able to get to site again due to covid)</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
9. Develop, approve, monitor and report on a Risk Management Future Training Program.	Recommendation to be considered	Coordinator Major Projects, HR & Governance	May 2023
10. Perform induction and regular risk management training for Risk and Governance Committee Members, Risk Manager, Risk Owners, Management, Staff, Contractors, Consultants, and Volunteers. This can be performed via online training and be integrated with other training performed by the Shire.	Recommendation to be considered	Coordinator Major Projects, HR & Governance	May 2023

11. Retain documented evidence of all training delivered including venue, presenter, attendees and hours. This can then be available for quality assurance and audit purposes.

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. Capability and Culture			
Risk Expert			Risk Rating
Finding 1.6	Risk Expert		Low
<p>Risk Management Experts can assist with effective risk management to complement the current resources within the Shire. They can be used on non-routine or complex risks, projects, or initiatives. It is good governance to consider whether Risk Experts are required for the Shire on a regular basis. This will ensure no gaps in risk management are identified.</p> <p>If no experts are required, then this can be documented. We are not including Legal Counsel in this situation.</p> <p>There is no documentation of consideration of the need for an expert with an appropriate knowledge of risks to assist with the identification or management of current or emerging risks within Risk Appetite of the Shire.</p> <p>Implication</p> <p>Risk Management may not be effective if the Shire does not have the expertise to manage a specific or collective risks.</p>			
Management Comment			
Management to consider finding			
Recommendations	Agreed Actions	Action Owner	Target Date
12. Document consideration of the need for a Risk Expert in the identification and management of current key strategic risks. This can be included in the Strategic Risk Register to satisfy this recommendation.	Recommendation 12 to be considered	CEO	April 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. Capability and Culture			
Induction and Termination			Risk Rating
Finding 1.7 Induction and Termination			Medium
<p>Induction and termination processes are critical times in the governance of the Shire. Induction processes are the time to perform awareness and training of new staff in Risk Management. Termination processes are the time to identify Risk Management responsibilities to ensure these are transferred to others within the Shire.</p> <p>Risk Owners are responsible for the effective management of the specific risk. A Risk Owner ensures there is accountability for the residual risk is within risk appetite. Other positions within the Shire also are important for Risk Management such as Fire Wardens, Business Continuity Plan Members, Incident Management Team Members and Crisis Management Team Members just to name a few.</p> <p>When new Management and staff join the Shire they are not made aware and trained on Risk Management roles and responsibilities. Induction Checklists do not include Risk Management. When Management and staff leave the employment of the Shire, their Risk Management responsibilities are not identified and transferred to others within the Shire. A Termination Checklist is used however it does not currently consider Risk Management roles and responsibilities.</p> <p>Implication</p> <p>Risks may not be managed in the absence of a Risk Owner.</p> <p>Positions may be left vacant until an event occurs which may leave catastrophic consequences.</p>			
Management Comment			
Management agrees to implement this finding			
Recommendations	Agreed Actions	Action Owner	Target Date
13. Review the Termination Checklist and ensure that any Risk Management positions held are identified and new people are allocated to these positions.	Recommendation agreed to be implemented	Coordinator Major Projects, HR & Governance	June 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. Capability and Culture			
Budget			Risk Rating
Finding 1.8	Budget		Medium
<p>An approved budget for key areas of the Shire is critical to ensure that the functions are performed efficiently and effectively.</p> <p>Experts may be required to assist Risk Owners and Management with identification, assessing, monitoring and reporting of risk. External training may be required for the Council, Management, Staff, Risk Manager, Compliance Officer, Risk Owners, Contractors, Consultants or Volunteers. A budget is therefore a critical component of Risk Management. Training is required to ensure that staff understand their roles and responsibilities. This may need to be sourced externally at a cost.</p> <p>There is currently no separate budget for Risk Management. There should be an annual budget for Risk Management to ensure that the Shire has adequate resources to effectively manage risk within Risk Appetite.</p> <p>Implication</p> <p>Risk management activities may not be performed if there is an inadequate budget</p> <p>Risk experts may not be sought if there is not an approved budget .</p> <p>Risk management awareness and training may not be performed if there is not an approved budget</p>			
Management Comment			
Budget funding was allocated to risk management in 2022/2023 Annual Budget. A specific allocation was made for the purchase and implementation of risk management software.			
Recommendations	Agreed Actions	Action Owner	Target Date
14. Consider a separate budget amount for Risk Management in the next budget setting process.	Recommendation to be implemented	CEO	April 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

1. Capability and Culture			
Access to Risk Manager			Risk Rating
Finding 1.9	Access to Risk Manager		Low
<p>It is good governance for there to be access to a Risk Manager to identify risks, hazards, risk training needs, risk experts etc.</p> <p>There is no direct access to the Risk Manager by Council, Management, Staff, Contractors, and/ or Volunteers via a telephone number or general email address from the intranet site such as risk@coolgardie.wa.gov.au. It is expected that staff would not know the individual names of the Risk Manager and therefore would not be able to liaise with them email address at the Shire.</p> <p>Implication</p> <p>Risks and hazards may not be identified to the Shire</p> <p>Risks experts and training may not be sought by staff</p> <p>Risk advice may not be sought regarding the risk identification and management.</p>			
Management Comment			
Management support this finding.			
Recommendations	Agreed Actions	Action Owner	Target Date
15. Provide the contact details and direct generic email address of the Risk Manager on the Risk Management intranet site for staff to have direct contact.	Agree to implement this recommendation	Coordinator Major Projects, HR & Governance	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework		Risk Rating
Risk Policy		
Finding 2.1 Risk Policy		High
<p>A Risk Management Policy is a key governance document within the Risk Management Framework to set out the approved approach and support for Risk Management within the Shire and the roles and responsibilities. A few observations relating to the Risk Management Policy include:</p> <ul style="list-style-type: none"> The Risk Management Policy is dated October 2020 and is out of date. It is supposed to be reviewed every years as stated within the Annual Report. There is reference to Risk Management Procedure and Risk Profiles but no other risk documents. Risk Appetite could be redefined as it is too high level and needs to be defined to be useful to Management in making decisions. References the Risk Management standard for their process but no evidence it is being applied in the Shire. Risk Management Strategy is not in place. Risk Management Plan is not in place. Risk Summary Report is not in place Risk Reports to the Audit Committee on a regular basis not evidenced For the Audit and Risk Committee <ul style="list-style-type: none"> requests and reviews reports on risk management on a semi-annual basis (minimum) or as required depending on the nature of the risks is not performed. Assess effectiveness of risk control measures is not performed Reference to Audit and Risk Committee. Audit Committee referenced in the Policy Manual. Not consistent. Reference to being consistent with AS/ NZ ISO 31000:2018 Standard for Risk Management. Page 109 says it is compliant with AS/NZS ISO 31000:2018. Reference to Risk Management Process -Nothing else such as Risk Register, FCC BCP Policy, The Risk Matrix is cut off within the document Overall Risk Officer is not identified. There is not a person identified having responsibility for Risk Management. This is important for authority and accountability. 		
<p>Implication Potentially ineffective risk management</p>		
<p>Management Comment Management of OHS Risk is done regularly and an external resource has been engaged to assist in managing risk. Furthermore, any risk issues are brought to the attention of management. The main area the Shire is struggling in has been the reporting of risk to the audit committee. The Shire has purchased and is currently implementing an enterprise risk management system Pulse. This will significantly improve the reporting and monitoring of risk across the organisation.</p>		

Recommendations	Agreed Actions	Action Owner	Target Date
16. Develop, approve and review on a timely basis a Risk Management Policy which reflects better practice principles and ensure the policy is implemented.	This recommendation is agreed to be implemented. The Shire will develop an RFQ for a Risk Management Policy to be done	CEO	March 2023

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7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Strategic Risk Management Plan			Risk Rating
Finding 2.2 Strategic Risk Management Plan			Medium
<p>A Strategic Risk Management Plan is a critical document in a local government which identifies the current risk posture state and desired risk posture state and how you are going to achieve the desired risk posture state. A Strategic Risk Management Plan is a current requirement of the Audit and Risk Committee Terms of Reference.</p> <p>There is no Strategic Risk Management Plan which identifies:</p> <ul style="list-style-type: none"> • summary of current material and emerging risks affecting or potentially affecting the Shire; • approach to managing these risks; • policies and procedures dealing with Risk Management matters; • the role and responsibilities of the Risk Management function; • description of the risk governance relationship between the Council, Committees and Management, with regard to the Risk Management Framework; • outline of the approach to ensure that all Management, Staff, Contractors and Volunteers have an awareness of the Risk Management Framework to promote a mature risk culture • extent of compliance with legislative requirements. • proposed training • proposed use of experts <p>Implication Risk management may not be effective and managed within risk appetite.</p> <p>Management Comment Management note that there is no Strategic Management Plan which identifies the points above.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
17. Develop, a Strategic Risk Management Plan and review this at least every 2 years or when material risks are identified.	This recommendation is agreed to be implemented. The Shire will develop an RFQ for a Strategic Risk Management Plan to be done	CEO	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Risk Management Procedures			Risk Rating
Finding 2.3	Risk Management Procedures		Medium
<p>Risk Management Procedures are a key governance document which sets out the approved tasks which should be performed in the Risk Management function. It should be detailed in enough so that a new staff member can perform the tasks in an efficient and effective manner.</p> <p>There are no approved Risk Management Procedures for staff to follow to conduct risk management activities.</p> <p>Implication Procedures may not be performed in an efficient and effective manner</p>			
<p>Management Comment Agree to the development and implementation of a Risk Management Procedure TBA</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
18. Develop and approve a Risk Management Procedure which are effective for staff to perform risk management responsibilities	This recommendation is agreed to be implemented. The Shire will develop a risk management procedure when requesting RFQ for Policy and Risk Management Plan	CEO	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework		Risk Rating
Strategic Risk Register		
Finding 2.4	Strategic Risk Register	High
<p>A Strategic Risk Register is a key governance document which sets out the key Strategic Risks in the Shire, and provides a risk rating of the inherent and controls risks. It documents the key controls relevant to each strategic risk and the treatment action plans to bring the Strategic Risk within Risk Appetite and Tolerable Risk. A few observations relating to the Strategic Risk Register include:</p> <p>Risk Identification</p> <p>The identification of Strategic Risks is those risks which are key inhibitors to not achieving the Strategic Objectives of the Shire.</p> <p>The Strategic Risk Register includes a mixture of operational and tasks which have to be performed, and issues within the Shire and not Strategic Risks. There are 76 risks which in our view is not manageable.</p> <p>As the Strategic Risk Register has been prepared on a different basis as identified above, there is a lot of Strategic Risks which have not been identified and therefore may not currently be managed.</p> <p>Business Unit Risk Registers</p> <p>Business Unit Risk Registers are used to underpin the Strategic Risk Register and provide further detail of risks at a Business Unit Level.</p> <p>Business Unit Risk Registers are not used within the Shire. The Shire will therefore be unable to manage those risks effectively.</p> <p>Risk Rating</p> <p>The current risk register is not in the better practice format which includes risk rating (by inherent risk and consequence), risk rating before controls, controls, risk rating after controls and before treatment action plans, treatment action plans, residual risk rating.</p> <p>Shared Risks</p> <p>Shared risks are those which are not owned by one Risk Owner or where more than one organisation is exposed to or can significantly influence the risk. Shared risks require shared oversight management, monitoring and reporting. Within the Strategic Risk Register the Shire has not identified shared risks with third parties and there is no evidence this information has been used to inform decision making.</p> <p>Controls</p> <p>Within the Risk Register it identified controls but there is no mention of the existence or evidence of these controls to substantiate the controls rating.</p> <p>Risk Appetite and Tolerable Risk</p> <p>The Strategic Risk Register should calculate a Residual Risk Rating for each Strategic Risk and then compare this to the Risk Appetite for each Strategic Risk.</p> <p>Within the Strategic Risk Register, the Shire does not document and compare the Residual Risk Rating and compare this to Risk Appetite and Tolerable Risk to see if the Shire is within Risk Appetite and what (if any) additional treatment</p> <p>Strategic Risk Review</p> <p>The Strategic Risk Register is out of date and was last updated in 2021. It is the Shire policy within the Risk Management Framework for Risks to be reviewed on an annual basis. We believe there needs to be a more regular review of risks to ensure that risks are being actively managed and it is informing decision making. Regular review of risks (such as on a quarterly basis is an effective governance measure.</p> <p>action plans need to be considered to bring the Shire within Risk Appetite.</p> <p>Implications:</p> <p>Risk management may not be effective.</p> <p>Shared risks may not be identified and managed within risk appetite.</p>		

Business Unit risks may not be identified and managed within risk appetite
Decisions may be made outside risk appetite.

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7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Risk Register (Cont.)			Risk Rating
Finding 2.4 Risk Register (cont.)			High
Management Comment			
<p>Management notes that;</p> <ul style="list-style-type: none"> • Risk management may not be effective. • Shared risks may not be identified and managed within risk appetite. • Business Unit risks may not be identified and managed within risk appetite • Decisions may be made outside risk appetite. <p>It is proposed that most of these issues will be dealt with the implementation of the Pulse Risk Software. The software will register, report on and measure risk. Implementation of Pulse Risk has commenced. First report from the system will go to the Audit Committee in November 2022.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
19. Review the current Strategic Risk Register and consider: <ul style="list-style-type: none"> • regularly consider the identification of risks during the year. • where Business Unit Risk Registers can be used as an effective risk management tool. • more regular reviews of risks, more than annually • regular assessment of the shared risks and the impact on the Shire. • the controls which are implemented effectively to arrive at the controls rating. • consider Risk Appetite and Tolerable Risk 	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk. Will be reporting to audit committee quarterly	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk. Monthly reports to the executive management team	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022
	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Risk Appetite, Risk Tolerance Statements			
Finding 2.5	Risk Appetite, Risk Tolerance Statements		High
<p>It is critical for effective Risk Management to articulate what is the Shire’s Risk Appetite for each Strategic Risk. This is so that it can compare the monitor the residual risk level for each Strategic Risk and compare this to the Risk Appetite to ensure it remains within Risk Appetite. It is also important to articulate a Risk Tolerance Statement to document the levels of risk taking acceptable to achieve a specific objective or manage a category of risk.</p> <p>There is a reference to a Risk Appetite and Risk Tolerance within the Shire Risk documents however they are not specifically determined by Strategic Risk to enable more risk based decisions are made within acceptable levels set by the SHire. They therefore cannot be compared to determine if the Shire is operating within or outside Risk Appetite.</p> <p>Implication</p> <p>Risk may not be managed within acceptable levels to the Council.</p>			
Management Comment			
<p>It is proposed that most of these issues will be dealt with the implementation of the Pulse Risk Software. The software will register, report on and measure risk. Implementation of Pulse Risk has commenced. First report from the system will go to the Audit Committee in November 2022.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
20. Develop, approve, monitor and report on a Risk Appetite, Risk Tolerance within the Shire and then consider these in relation to the Residual Risk rating and whether the Shire are within the Risk Appetite and Risk Tolerance.	Will be included as part of the implementation of Pulse Risk	Deputy CEO	December 2022

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Risk Management Framework			Risk Rating
Finding 2.6	Risk Management Framework		High
<p>A Risk Management Framework is the governance document which outlines the risk documents and how they interrelate to management risks within Risk Appetite. The Shire has a draft Risk Management Framework in place commenced in 2019. A few observations about the draft Risk Management Framework is:</p> <ul style="list-style-type: none"> The draft Risk Management Framework is not approved and dated 2020 and is out of date. The Risk Management Framework does not seem cohesive and appears to have bolted a few concepts together. <p>Implication Ineffective Risk Management Framework Non-compliance with standards</p> <p>Management Comment Management disagrees with the comment that the Risk Management Framework is ineffective. Risk is managed within the organisation on an adhoc basis. Risk is assessed in all projects the Shire undertakes. Management note that the Risk Management Framework needs to be reviewed an updated.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
21. Develop, maintain, review, monitor and report a Risk Management Framework in accordance with relevant legislation, standards and better practice principles	This recommendation is agreed to be implemented. The framework will be developed as part of and RFQ.	CEO	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Special Activities and Project Risks			Risk Rating
Finding 2.7	Special Activities and Project Risks		Medium
<p>Special activities and projects within the Shire can create additional and temporary risks which need to be identified, assessed, monitored, and reported within Risk Appetite.</p> <p>There is no formal policy for risks relating to a project or special activities to be identified, risk assessed, monitored, and reported within the Shire.</p> <p>There is a risk that activities can be performed with no risk assessment and impact on the Shire activities.</p> <p>Implication</p> <p>Risks may not be effective or managed within Risk Appetite.</p>			
<p>Management do not agree with the comment that risk may not be effective or managed within Risk Appetite. Risks associated with all projects and services are assessed. This will be further enhanced with regular reporting from Pulse Risk</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
22. Develop an approved process for risk assessment to be performed for special projects and activities that want to be undertaken within the Shire	This recommendation will be considered as part of the implementation of Pulse Risk	CEO	February 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Assurance Map			Risk Rating
Finding 2.8 Assurance Map			Medium
<p>An Assurance Map identifies the assurance activities in relation to each of the Strategic Risks to identify any gaps in coverage/ over assurance against strategic risks/ risks to Strategic Plans. It can also provide a view on the cost of controls if assurance is mapped against key controls. It can also be used to map out detailed compliance requirements. Activities are then documented to cover/ mitigate all areas identified.</p> <p>There is no Assurance Map within the Shire. The Shire does not know which of the Strategic Risks are being not being mitigated by assurance activities, the cost of controls and compliance requirements which are being assured. The gaps in the Strategic Risk Assurance Map are then not informing the Shire's Strategic Internal Audit Plan.</p> <p>Implication</p> <p>Potentially ineffective decision making</p> <p>Resources may not be applied efficiently or effectively</p> <p>Ineffective Strategic Internal Audit Plan</p>			
Management Comment			
<p>Management does not agree with the comments that potentially ineffective decision making is occurring and resources are not being applied efficiently or effectively. Shire management is conscious of the significance of risk in decision making. Furthermore resources across the board are extremely difficult to get inclusive of the whole sector. The Shire is doing the best it can with the resources it has currently available.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
<p>23. Consider the use of an Assurance Map to provide comfort to Management as to where the assurance is being provided against each Strategic Risk, cost of control, and compliance requirement. Identify which Strategic Risk have no assurance provided and use this to inform the Strategic Internal audit Plan. It is important that assurance is provided and documented in relation to the four lines of defence. These are: the assurances gained from Management (i.e. that designed controls are being implemented on a day-to-day basis); the assurances gained from the Risk Management and compliance functions; and the Internal Audit function or other External Audit/ Assurance provider or Specialist.</p>	<p>This recommendation is agreed to be considered as part of the RFQ for a risk management framework.</p>	<p>CEO</p>	<p>November 2022</p>

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Business Continuity			Risk Rating
Finding 2.9	Business Continuity		High
<p>A Business Continuity Policy is a key governance document within a local government which identifies the policy position, approach, support role and responsibility. The Business Continuity Management is the plan to be activated when there is a business disruption. A Business Impact Analysis is an assessment of the Shire as to the impact that certain disruption events may have on the Shire and what the activation plan will be in that circumstance.</p> <p>A few observations from the review of Business Continuity Response Plan is as follows:</p> <ul style="list-style-type: none"> • There is no Business Continuity, Emergency Management, Incident Response and Disaster Recovery Policy, Procedures or Plans • The Shire does not have a Business Impact Analysis which underpins the Business Continuity Management Plan. • There is no evidence of testing or training of the above documents. <p>Implication</p> <p>The Shire will not be able to manage the effects of a disaster, emergency, incident, business disruption event with Risk Appetite and Risk Tolerance.</p>			
Management Comment			
The Shire has commenced work on a draft Business Continuity Plan. Management will ensure that issues raised above are included in an RFQ.			
Recommendations	Agreed Actions	Action Owner	Target Date
24. Develop, implement, monitor and report a Business Continuity, Emergency Management, Incident Response, Disaster Recovery Policy Procedures and Plans with supporting documents such as Business Impact Analysis within the Shire and the extent of compliance with the Standard and whether there are improvement opportunities.	An RFQ will be requested by the Shire to achieve this recommendation	CEO	March 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

2. Risk Management Framework			
Risk Management Framework			Risk Rating
Finding 2.10 Risk Management Related Policies			Medium
<p>There is a few other Risk Related Policies which are very important for an effective Risk Management function. These include PID Policy, PID Procedures, PID Director, OSH Policy, Information Management Policy, Cybersecurity Policy and Procedure, ESG, Compliant Handling Records Management Policy and Procedure.</p> <p>Some observations from review of the risk related documents included:</p> <ul style="list-style-type: none"> The PID Policy does not comprehensively align to the Public Sector Commission Guidelines. It was not included in the Policy Manual published on the Shire’s website. There were no PID Procedures documented at the Shire The Public Sector Contact Directory does not have anyone from the Shire recorded as a PID Officer. Moore Australia immediately advised the CEO and Coordinator Projects, HR and Governance Manager Finance on 19 July 2022 to provide an immediate opportunity to update these records. The OSH Policy was provided to Moore Australia with no review date. It was not included in the Policy Manual published on the Shire’s website. The New Work Health and Safety Act 2020 and Work Health and Safety Regulations came into effect in WA on 31 March 2022. There is reference to the old act and not the new Act. There was no Information Management Policy at the Shire. There is no Cybersecurity Policy at the Shire. There is no Environmental, Social and Governance (ESG) Policy to promote and support the activities within the Shire. There is no Complaint Policy at the Shire. <p>Implication</p> <p>Information Management, Cybersecurity, ESG, risks and opportunities may not be identified , assessed, monitored and reported on a timely basis.</p> <p>Management Comment</p> <p>Some policies have already been developed. OSH Policy was reviewed and updated in February 22 in order to align to the upcoming new legislation. It was passed on the 26th April at Council Meeting however it had not yet been updated on the intranet or on notice boards due to resource shortages.</p> <p>This policy includes a review table. The Policy is reviewed every 12months or before dependent on changes to legislation etc. The WHS Policy has now been updated on the intranet and will be updated on all notice boards and first points of call for visitors across the business. As an action: The Policy will need to be updated in staff inductions for all new staff and contractors however this is scheduled to be discussed with HR already.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
25. Develop and approve a comprehensive, OSH Policy, PID Policy, PID Procedure, Information Management Policy, Cybersecurity Policy and Procedure, ESG Policy which aligns to Better Practice Principles and Standards.	Policies will be developed in line with this recommendation	Deputy CEO	April 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

3. Reporting			
Council			Risk Rating
Finding 3.1	Council		Medium
<p>We believe it is good governance for the Council to receive a regular reporting (at least quarterly) which summarises the Risk Management activities and to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan and Calendar and approval of key policies etc.</p> <p>The Council does not have any formal reporting from the Audit and Risk Committee or Management on a regular basis.</p> <p>Implication The Council may not have a full understanding of the risk management activities of the Shire</p> <p>Management Comment Risks associated with projects and/or services are discussed and reported to Council inclusive of agenda items to Council. Management are of the opinion the gap that exists currently is regular reporting to the Audit Committee and then to Council on strategic and operational risks. The implementation of Pulse Risk will address this issue in the opinion of management.</p>			
	Agreed Actions	Action Owner	Target Date
26. Include a summary of the Risk Management activities as a standard Agenda Paper for the Council meetings on a regular basis to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan, Risk Management Calendar and approval of key policies etc.	Will be included as part of the implementation of Pulse Risk and reporting	CEO	December 2022

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

3. Reporting			
Audit and Risk Committee			Risk Rating
Finding 3.2	Audit and Risk Committee		Medium
<p>We believe it is good governance for the Audit and Risk Committee to receive a paper at each meeting to summarise the Risk Management activities and to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan, Risk Management Calendar and approval of key policies etc.</p> <p>The Audit and Risk Committee does not have a regular agenda item Risk Management within their standard agenda.</p> <p>The Audit and Risk Committee have within their Terms of Reference reporting responsibilities and it is important to acquit these responsibilities.</p> <p>Implication</p> <p>The Audit and Risk Committee may not have a full understanding of risk management activities within the Shire.</p>			
Management Comment			
<p>Risks associated with projects and/or services are discussed with the Audit Committee. Management are of the opinion the gap that exists currently is regular reporting to the Audit Committee on strategic and operational risks. The implementation of Pulse Risk will address this issue in the opinion of management.</p>			
Recommendations		Action Owner	Target Date
<p>27. Include a summary of the Risk Management activities as an Agenda Paper for Audit and Risk Committee meetings to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan, Risk Management Calendar and approval of key policies etc.</p>		<p>Will be included as part of the implementation of Pulse Risk and reporting.</p> <p>CEO</p>	<p>December 2022</p>

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

3. Reporting			
Corporate Executive			Risk Rating
Finding 3.3	Corporate Executive		Medium
<p>The Corporate Executive does not have a standard or regular agenda item for Risk Management.</p> <p>We understand there is ad hoc reporting of some projects and activities which considers risk elements.</p> <p>We believe it is good governance for the Corporate Executive to receive a paper at each meeting to summarise the Risk Management activities and to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan, Risk Management Calendar and approval of key policies etc.</p> <p>Implication</p> <p>Executive may not fully understand the risk management activities in the Shire.</p>			
Management Comment			
<p>The Corporate Executive does consider risk management in its decision making. The gap that currently exists is the documentation on reporting on risk to the Audit Committee.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
<p>28. Include a summary of the Risk Management activities as an Agenda Paper for Corporate Executive meetings to discuss current, new, emerging risks, status of the Risk Management Annual Work Plan, Risk Management Calendar and approval of key policies etc.</p>	<p>Will be included as part of the implementation of Pulse Risk and reporting</p>	<p>CEO</p>	<p>December 2022</p>

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

3. Reporting			
Data Analytics			Risk Rating
Finding 3.4	Data Analytics		Low
<p>Data analytics is the use of software to scan whole populations of data to identify themes, patterns, trends anomalies, fraud or error, opportunities, or predicting human behaviour. Data analytics is an effective technique to identify where there is high risk areas, non-compliance with delegations of authority and fraud risk areas.</p> <p>Data analytics has not been used within the Shire as a technique to assist with Risk Management. It is an effective tool for the First and Second lines of defence as mentioned in Section 1 of this report.</p> <p>Implication</p> <p>Fraud risk areas and non-compliance and weaknesses in controls are not being detected efficiently and effectively on a timely basis.</p>			
Management Comment			
<p>Management acknowledge that this is an area that needs improvement. The implementation of Pulse Risk will assist in addressing this.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
29. Consider the use of data analytics to analyse large volumes of data to identify current or emerging risks or opportunities within the Shire.	Will be included as part of the implementation of Pulse Risk and reporting	Deputy CEO	April 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

4. Performance Measurement			
International Standard			Risk Rating
Finding 4.1 International Standard			Medium
<p>Comparing key functions within an organisation to International Standards can be a good method to identify where functions are performing in accordance with better practice principles</p> <p>There has been no documented assessment of the compliance with the Risk Management Standard (ISO 231000: 2018). We have not performed a formal assessment of the compliance requirements as key documents have referred to the superseded Risk Management Standard (ISO 30111: 2009) and not the new Risk Management Standard (31000: 2018).</p> <p>The Shire within some governance documents has stated compliance with the Risk Management Standard, however this is not evidenced.</p> <p>Implication</p> <p>Potential non-compliance with better practice principles</p>			
Management Comment			
<p>Management note the implication that potential non-compliance with better practice principles may exist. The resources required and needed to undertake this task will be discussed with management and Council. Significant resources may need to be invested.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
30. Prepare an assessment of the extent of compliance with the Risk Management International Standard 31000:2018.	This recommendation will be considered	CEO	May 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

4. Performance Measurement			
Key Performance Indicators			Risk Rating
Finding 4.2	Key Performance Indicators		Low
<p>Key performance Indicators are a good way to measure the performance of a function within an organisation. The setting of performance indicators allows expected performance to be set and agreed and actual performance to be compared to expectations. Performance targets are an element of effective risk management.</p> <p>There are currently no performance indicators or measures for the Risk Management function.</p> <p>Below are examples of KPI's relating to assessing the risk management function:</p> <ul style="list-style-type: none"> • Are the resources committed to risk management sufficient and appropriate? • Has the approved Annual Risk Work Plan been performed during the year? • Has there been any departures from the Risk Management Policy? • Has there been any departure from the Risk Management Procedures during the year? • Have the risk owners been trained in their risk management roles and responsibilities? • Have the risk owners been involved in risk identification, risk rating and engaged in the risk management function? • Has there been appropriate reporting to the Executive Leadership Team, Audit and Risk Committee on risk management activities? • Has the effectiveness of the risk management function and Audit and Risk Committee been assessed? • Has a risk management survey been sent to seek feedback on the risk management function? • Have continual improvement opportunities been considered and implemented, where considered beneficial. <p>Implication Risk management may not meet expectations.</p> <p>Management Comment Management note that risk management may not meet expectations. In regard to KPI's relating to assessing risk management this will be considered and discussed with the management team and Council. The challenge that always exists with KPI's is how can they be measured and does the Shire have the resources to do this.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
31. Develop, approve, document, monitor and report Risk Management Key Performance Indicators to allow expected performance and actual performance to be compared.	This recommendation will be considered	CEO	April 2023

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

4. Performance Measurement			
Surveys			Risk Rating
Finding 4.3	Surveys		Low
<p>A survey is a good way to seek the pulse of the Shire as to the confidence that people have and in their role and responsibilities, and their ability to manage their role and responsibility. A survey can be a critical element of effective risk management. It is also an emerging trend for organisation's to assess their risk culture as this is an emerging as a key element for effective risk management.</p> <p>A survey of a selection of Council Members, Audit and Risk Committee Members, Risk Owners, Management, Staff, Contractors and/ or Volunteers has not been considered or performed within the Shire .</p> <p>Implication</p> <p>Risk management may not be effective, efficient or supported by Council, Audit and Risk Committee Members, Management, Staff, Contractors and Volunteers.</p>			
Management Comment			
<p>Management are of the opinion the implementation of Risk Pulse will address the most significant issue/gap that exists – regular reporting and monitoring.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
<p>32. Survey a selection of Council Members, Audit and Risk Committee Members, Risk Owners, Management, Staff, Contractors and/ or Volunteers to identify continuous improvement opportunities.</p> <p>Please review the Appendix 2 where we have provided an example.</p>	<p>Agreed with this recommendation</p>	<p>Deputy CEO</p>	<p>December 2022</p>

7. OBSERVATIONS AND RECOMMENDATIONS (CONT.)

4. Performance Measurement			
Better Practice Principles			Risk Rating
Finding 4.4 Better Practice Principles			Low
<p>It is good governance to compare all key aspects of the Shire operations to better practice principles and OAG Tabled Reports to identify where improvements can be made, where fit for purpose, relevant and appropriate.</p> <p>The Risk Management function has not been compared to better practice principles. Gaps in the Risk Management functions can be considered and where appropriate be prioritised with in the Strategic Risk Management Plan referred to above.</p> <p>Implication Opportunities to improve current practices in line with Better Practice Principles will not be achieved.</p>			
Management Comment			
<p>Management strongly disagree and believe it is inappropriate to suggest that the risk management function currently being undertaken has been compared to Better Practice Principles. This is clearly demonstrated by the external expertise the Shire has engaged to deal with a number of components of risk management.</p>			
Recommendations	Agreed Actions	Action Owner	Target Date
33. Consider the following sources of better practice and compare these to the Shire on a timely basis. <ul style="list-style-type: none"> Auditor General tabled reports in all jurisdictions of Australia Risk Management Institute of Australasia Australian Institute of Company Directors Governance Institute of Australia 	This recommendation will be considered	Deputy CEO	May 2023
	This recommendation will be considered	Deputy CEO	May 2023
	This recommendation will be considered	Deputy CEO	May 2023
	This recommendation will be considered	Deputy CEO	May 2023
	This recommendation will be considered	Deputy CEO	May 2023

8. OTHER

8.1. Disclaimers

Moore Australia (WA) Pty Ltd as agent, an independent member of Moore Global Network Limited, and a Perth based partnership of trusts carries on business separately and independently from other Moore Global Network Limited member firms worldwide.

Services provided under this engagement are provided by Moore Australia (WA) Pty Ltd as agent and not by any other independent Moore Global Network Limited member firms worldwide. No other independent Moore Global Network Limited member has any liability for services provided.

8.2. Basis of Use

This report has been prepared in accordance with the objectives and approach agreed in the engagement document and subject to the following limitations:

- Other than use by you for the purpose, our report cannot be issued, accessed, or relied upon by any third party without our prior written approval. Furthermore, neither the report nor extracts from it will be included in any document to be circulated to other third parties without our prior written approval of the use, form, and context in which it is proposed to be released. We reserve the right to refuse to grant approval to issue the reporting to any other party.
- Our internal audit work was performed in accordance with the International Standards for the Professional Practice of Internal Auditing contained in the International Professional Practices Framework issued by the Institute of Internal Auditors. It did not constitute an audit or review in accordance with standards issued by the Auditing and Assurance Standards Board and accordingly no such assurance under those standards is provided in this report.
- The matters raised in this report are only those which came to our attention while performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures under examination, or potential instances of non-compliance that may exist.

- We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to statements and representations made by, and the information and documentation provided by, Management and personnel. We have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the client. The Internal Audit findings expressed in this report have been formed on the above basis.
- Recommendations for improvement should be assessed by management for their full commercial impact, before they are implemented.

8.3. Conflicts of Interest

The firm is not aware of any existing or potential relationship, transaction or holding that would compromise its objectivity in the conduct of the services rendered. Should the possibility of a perceived or actual conflict arise the matter would be raised with the Chief Executive Officer immediately and activities suspended until the issue was resolved to your satisfaction.

8.4. Liability

Moore Australia (WA) Pty Ltd trading as agent – ABN 99 433 544 961, an independent member of Moore Global Network Limited - members in principal cities throughout the world.

Liability limited by a scheme approved under Professional Standards Legislation.

APPENDIX 1: KEY TO SIGNIFICANCE OF RISK RATING

Rating	Definition	Guidance	Action required
High	Issue represents a control weakness, which could cause or is causing major disruption of the process or major adverse effect on the ability of the process to achieve its objectives.	<ul style="list-style-type: none"> Material errors and departures from the organisation's policies and procedures. Financial management / accountability / probity concerns. Non-compliance with governing legislation and regulations may result in fines or other penalties. Collective impact of many moderate or low issues. 	<ul style="list-style-type: none"> Requires significant senior management intervention and may require significant mobilisation of resources, including external assistance. A detailed plan of action to be approved by Management with resolution within 30 days.
Medium	Issue represents a control weakness, which could cause or is causing moderate adverse effect on the ability of the process to meet its objectives.	<ul style="list-style-type: none"> Events, operational, business, and financial risks could expose the organisation to losses could be marginally material to the organisation. Departures from best practice management procedures, processes. 	<ul style="list-style-type: none"> Requires substantial management intervention and may require possible external assistance. Timeframe for action is subject to competing priorities and cost benefit analysis but should not exceed 3 months.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> Events, operational and business risks could expose the organisation to losses which are not material due to the low probability of occurrence of the event and insignificant impact on the operating capaShire, reputation, and regulatory compliance. Departures from management procedures, processes, however, appropriate monitoring and governance generally mitigates these risks. 	<ul style="list-style-type: none"> Requires management attention and possible use of external resources. Minor treatment is desirable. Action should be completed within 6 months.

APPENDIX 2: SHIRE OF COOLGARDIE RISK MANAGEMENT SURVEY

Background

Risk is a part of our every-day personal and professional lives. Risks are identified, prioritized, considered, and managed by people in their personal lives, and organisations in a more formalised way.

As part of its governance framework, The Shire of Coolgardie ("the Shire") has a risk management function. The role of risk management is to identify and manage risks within the Shire Risk Appetite and Tolerance Levels, to maintain systems to facilitate this, and to monitor and report the activities to the Executive Leadership Team, Audit, Finance and Risk Committee, and Board.

The objective of the Risk Management Survey is to understand the extent of understanding within the organisation on the roles and responsibilities and activities of risk management.

The results of the Risk Management Survey will be presented to the Board and Audit, Finance and Risk Committee, to improve the risk management function within the Shire.

Instructions

The survey has 10 questions which you are asked to complete.

We kindly request everyone to complete all of the questions in the survey by **TBA**.

The survey is expected to take 5 minutes to complete.

The respondents to the survey are anonymous. For respondents who would like to identify themselves so that follow up discussions can be held then there is an option to provide your details.

If you have any questions prior to or when completing the survey, you can contact the following:

Name: **TBA**

Position: **TBA**

Organisation: **TBA**

Work: **TBA**

Mobile: **TBA**

Work Email: **TBA**

Survey Questions

- 1) **Do you understand what constitutes risk management within the Shire?**
 - a) Yes
 - b) No
 - c) I'm not sure
- 2) **Does the Shire have an Officer responsible for risk management activities with the organisation?**
 - a) Yes, CEO
 - b) Yes, Principal Legal Counsel & Legal Manager
 - c) Yes, HR Manager
 - d) Yes, Director Corporate Services
 - e) No
 - f) I am not sure
- 3) **Do you know what is the Shire of Coolgardie Risk Appetite and/ or Risk Tolerance for your decision making**
 - a) Yes
 - b) No
 - c) I am not sure
- 4) **Do you believe you make Shire decisions in accordance with this risk appetite and/or tolerance?**
 - a) Yes, I believe I understand what it is and operate within in it.
 - d) Yes, I believe I understand what it is, however I operate outside of this.
 - e) No, I don't know what it is.
 - f) I am not sure.

APPENDIX 2: SHIRE OF COOLGARDIE RISK MANAGEMENT SURVEY (CONT.)

Survey Questions (continued)

- 5) Do you believe the Shire have Risk Management Policy and Procedures in place?
 - a) Yes
 - b) No
 - c) I'm not sure
- 6) Have you received any risk management awareness programs, training, newsletters, publications arranged by the Shire?
 - a) Yes, Less than three months ago
 - b) Yes, More than three months ago but less than six months ago
 - c) Yes, More than six months ago
 - d) Yes, More than 12 months ago
 - e) No never received risk management awareness programs or training at SP
- 7) Do you know who to report a risk to within the Shire?
 - a) Yes, Line Manager
 - b) Yes, Principal Legal Counsel and Legal Manager
 - c) Yes, CEO
 - d) Yes, Director Corporate Services
 - e) Yes, HR Manager
 - f) No
- 8) Do you know how to report suspected occupational health and safety risks?
 - a) Yes, Line Manager
 - b) Yes, Principal Legal Counsel and Legal Manager
 - c) Yes, CEO
 - d) Yes, Director Corporate Services
 - e) Yes, HR Manager
 - f) No

- 9) Do you believe risks are identified and managed appropriately within the Shire?
 - a) Yes
 - b) No
 - c) I'm not sure

10) Do you have any additional comments? If please provide them below.

We would appreciate any comments and/ or feedback on risk management at Southern Ports and invite you to provide these below.

(free text)

THANK YOU FOR TAKING THE TIME TO PARTICIPATE IN THIS SURVEY

Participant Details

Name (optional): _____

Branch (optional): _____

Location (optional): _____

Contact details (optional): _____



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HELPING YOU THRIVE IN A CHANGING WORLD

5.2 Operation Services

5.2.1 2022 COMPLIANCE AUDIT RETURN

Location:	Shire of Coolgardie
Applicant:	Shire of Coolgardie
Disclosure of Interest:	NIL
Date:	1 March 2023
Author:	Martin Whitely, Consultant

SUMMARY

The purpose of this report is to present Council with the completed 2022 Compliance Audit Return (CAR).

BACKGROUND

In accordance with the Local Government Act 1995 and Local Government (Audit) Regulations 1996, a local government is required to complete an annual CAR for the period 1 January 2022 to 31 December 2022 of the preceding year. The CAR, after being adopted by Council, is to be forwarded to the Department of Local Government by 31 March 2023.

COMMENT

The purpose of the annual CAR is for individual local governments to assess their level of compliance with the Local Government Act 1995 and associated Regulations.

With the exception of an "Optional" Category that included 9 questions relating to a number of different areas, the specific areas addressed by the CAR are the same as those covered in the 2021 return.

Overall the areas covered include:

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

The Compliance Audit Return has been undertaken as an internal audit, sourcing evidence of compliance through the Shire's own records. Where relevant, resolution references have been included in the CAR.

The review has found that there were 2 items of non-compliance. As a comparative, there were 3 items of non-compliance identified in the 2021 and 2020 Returns.

A summary for each of the sections is shown below;

Commercial Enterprises by Local Government

Non Compliance matters raised - Nil

Delegation of Power/Duty

1. Were all delegations to the CEO in writing
2. Were all delegations by the CEO to any employee in writing
3. Written records have not been maintained on all occasions by persons exercising a delegated power/duty

Non-Compliance matters raised – Nil

Delegation of Power/Duty has had some non- compliance matters over the past few years however now that we have a staff member responsible for Governance we were able to be complaint in this area in 2022.

Disclosure of Interest

Council need to ensure that all Primary and Annual Returns are completed in a timely manner and returns are acknowledged in writing by the CEO (for all Councillors & Staff) and the President (for the CEO).

For the purpose of completing Primary and Annual Returns for staff, a designated employee is an employee, other than the Chief Executive Officer, to whom any power or duty has been delegated to that employee as explained in section 5.74 of the Local Government Act 1995.

The Local Government Act 1995 has very stringent rules for both Annual and Primary Returns. Annual Returns must be completed within 3 months of the commencement date, while Annual Returns must be completed by 31 August each year. There are very harsh penalties for non-compliance in this area with penalties of a \$10,000 fine or imprisonment for 2 years that may be applied for Annual and Primary Returns not completed within the required timeframes. Below is an extract from the Local Government Act 1995;

5.75. Primary returns

- (1) A relevant person other than the CEO must lodge with the CEO a primary return in the prescribed form within 3 months of the start day.
- (2) A CEO must lodge with the mayor or president a primary return in the prescribed form within 3 months of the start day.
- (3) This section does not apply to a person who —
 - (a) has lodged a return within the previous year; or
 - (b) has, within 3 months of the start day, ceased to be a relevant person.

Penalty: \$10 000 or imprisonment for 2 years.

5.76. Annual returns

- (1) Each year, a relevant person other than the CEO must lodge with the CEO an annual return in the prescribed form by 31 August of that year.

- (2) Each year, a CEO must lodge with the mayor or president an annual return in the prescribed form by 31 August of that year.

Penalty applicable to subsections (1) and (2): \$10 000 or imprisonment for 2 years.

[Section 5.76 amended by No. 1 of 1998 s. 18; No. 66 of 2006 s. 12.]

5.77. Acknowledging receipt of returns

On receipt of a return under section 5.75 or 5.76 from a person, the CEO or the mayor or president, as the case may be, is to give the person written acknowledgment of having received the return.

Non Compliance matters raised – Nil

Disposal of Property

Public notice is required for the disposal of property under section 3.58 of the Act unless sold by public auction. There was no property disposed of during the period.

Non Compliance matters raised - Nil

Finance

It is a requirement that an Audit Committee is established and appointed by Council.

It is also a requirement for any significant matters raised in the Audit Report to be addressed by the CEO with an Action List addressing these matters raised endorsed by Council and a copy sent to the Minister within 3 months of receiving the Audit Report.

Non Compliance matters raised - Nil

Local Government Employees

This area relates to the advertising and appointment of the CEO.

Non Compliance matters raised - Nil

Official Conduct

This area relates to the requirements of a complaints register, policies, councillor professional development and budgets.

Non Compliance matters raised - Nil

Integrated Planning & Reporting

In accordance with the following regulations of the Local Government (Administration) Regulations 1996, A local government is required to undertake certain reviews of integrated planning documents;

1. 19C(4) a local government is to review the current strategic community plan for its district at least once every 4 years, and
2. 19DA(4) a local government is to review the current corporate business plan for its district every year.

Non Compliance matters raised – 1

Council have completed a review of the strategic community plan as well as an updated long term financial plan in the last 12 months, however the corporate business plan has not been presented to Council within this period.

The corporate business plan is currently under review as part of aligning the document with corporate reporting requirements to be implemented and the corporate business plan will be endorsed during the 2022/23 financial year.

Optional

In total there were 9 optional questions relating to areas including finance, audit, risk management, gift registers, staff and elected member policies and procedures.

All questions were completed and the Shire was compliant with all 9 questions.

Tenders for Providing Goods and Services

This area relates to purchasing polices, tenders, provision for statewide public notices and tender register. There was one instance where a tender was not advertised in the local newspaper. This was reported to the Department of Local Government and a response received.

Non Compliance matters raised – 1

There was one instance where a tender was not advertised in the newspaper and this was reported to the Department of Local Government, Sport & Cultural Industries.

Overall the completed CAR indicates that the Shire of Coolgardie is maintaining an acceptable level of compliance in the key areas that the CAR focuses on. Those items identified as being non-compliant can be rectified with the implementation of simple administration processes.

CONSULTATION

Bec Horan, Projects

STATUTORY ENVIRONMENT

Local Government Act 1995
Local Government (Audit) Regulations 1996
Local Government (Functions & General) Regulations 1996
Local Government (Administration) Regulations 1996
Local Government (Financial Management) Regulations 1996
Local Government (Rules of Conduct) Regulations 2007

Local Government Act 1995

7.13. Regulations as to audits

- (1) Regulations may make provision as follows —
 - (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —

- (i) of a financial nature or not; or
- (ii) under this Act or another written law.

Local Government (Audit) Regulations 1996

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

15. Compliance audit return, certified copy of etc. to be given to Executive Director

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
 - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

- (2) In this regulation —
certified in relation to a compliance audit return means signed by —
 - (a) the mayor or president; and
 - (b) the CEO.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

STRATEGIC IMPLICATIONS

Accountable and effective leaders

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. **2022 Compliance Audit Return**

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Audit Committee RECEIVE the completed 2022 Compliance Audit Return for the period of 1 January 2022 to 31 December 2022 and recommends that Council endorses the return as tabled.

AUDIT COMMITTEE RESOLUTION #50/2023

Moved: Cr Tracey Rathbone

Seconded: Cr Tammee Keast

That the Audit Committee RECEIVE the completed 2022 Compliance Audit Return for the period of 1 January 2022 to 31 December 2022 and recommends that Council endorses the return as tabled.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

Against: Nil

CARRIED 5/0

Compliance Audit Return 2022

Commercial Enterprises by Local Governments			
No	Reference	Question	
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2022?	YES
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2022?	YES
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2022?	YES
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022?	YES
5	s3.59(5)	During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	YES

Delegation of Power/Duty			
No	Reference	Question	
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A
2	s5.16	Were all delegations to committees in writing?	N/A
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the <i>Local Government Act 1995</i> ?	N/A
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A
5	s5.18	Has council reviewed delegations to its committees in the 2021/2022 financial year?	YES March 2022 Council Resolution #197/2022
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the <i>Local Government Act 1995</i> ?	YES
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	YES
8	s5.42(2)	Were all delegations to the CEO in writing?	YES
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	YES
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	YES
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	YES
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2021/2022 financial year?	YES
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	YES

Disclosure of Interest			
No	Reference	Question	
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the <i>Local Government Act 1995</i> , did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	YES
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	YES
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) of the <i>Local Government Act 1995</i> recorded in the minutes of the meeting at which the disclosures were made?	YES
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	YES
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022?	YES
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	YES
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> ?	YES
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the <i>Local Government Act 1995</i> , in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	YES
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> , did the CEO remove from the register all returns relating to that person?	YES

10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	YES
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	YES
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	YES
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	YES
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	YES
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	YES
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) of the Local Government Act 1995 recorded in the minutes of the council meeting at which the decision was considered?	N/A
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	YES
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	N/A
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	YES
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government in accordance with section 5.51A(1) of the Local Government Act 1995?	YES

Disposal of Property

No	Reference	Question	
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	YES
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	YES

Elections

No	Reference	Question	
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	YES
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	YES

Finance

No	Reference	Question	
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	YES
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	N/A
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2022 received by the local government by 31 December 2022?	YES

4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the <i>Local Government Act 1995</i> required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	YES
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	YES
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the <i>Local Government Act 1995</i> , did the CEO publish a copy of the report on the local government's official website?	YES
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit?	YES

Integrated Planning and Reporting

No	Reference	Question	
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	YES 22 NOVEMBER 2022 RESOLUTION 261/22
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	NO
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	N/A

Local Government Employees

No	Reference	Question	
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	N/A
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the <i>Local Government Act 1995</i> ?	N/A
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A

Official Conduct

No	Reference	Question	
1	s5.120	Has the local government designated an employee to be its complaints officer?	YES
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the <i>Local Government Act 1995</i> ?	YES
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2) of the <i>Local Government Act 1995</i> ?	YES
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	YES

Optional Questions

No	Reference	Question	
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three years prior to 31 December 2022? If yes, please provide the date of council's resolution to accept the report.	YES September 2022 Council Resolution #197/2022
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2022? If yes, please provide date of council's resolution to accept the report.	YES September 2022 Council Resolution #197/2022
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the <i>Local Government Act 1995</i> , were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	YES
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	YES

5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the <i>Local Government Act 1995</i> ?	YES
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	YES
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022?	YES
8	s6.4(3)	By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022?	YES
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	YES

Tenders for Providing Goods and Services			
No	Reference	Question	
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	YES
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	YES
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	NO. 1 instance not advertised in the newspaper and this was reported to the Department of LG
4	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	YES
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	YES
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	YES
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	YES
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	YES
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	YES
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	N/A
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?	N/A
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions and General) Regulations 1996, Regulations 24AD(4) and 24AE?	N/A
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A

18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	N/A

5.2.2 CREDIT CARD LISTING FROM NOVEMBER 2022 TO JANUARY 2023

Location: Nil

Applicant: Nil

Disclosure of Interest: CEO, James Trail has a financial interest in this item. In accordance with section 5.70(2) of the Local Government Act 1995, I declare a financial interest in the agenda item List of credit card payments. The interest is in relation to CEO credit card vouchers.

Date: 4 March 2023

Author: Corina Morgan, Senior Finance Officer

SUMMARY

For the Audit Committee to receive the list of credit card payments for November 2022 to January 2023 for the Chief Executive Officer.

BACKGROUND

The Local Government (Financial Management) Regulations 1996, Regulation 13(3)(b) requires that Council receive a list of credit cards paid in the month, and that this be recorded in the minutes. Council has delegated to the Chief Executive Officer that authority to make these payments from the Municipal and Trust Funds.

COMMENT

The schedule of payments made under delegated authority as summarised below and recommended to be received by the audit committee, has been checked and is supported by vouchers and invoices which have been duly certified as to the receipt of goods and provision of services, and verification of process and costings.

It is deemed prudent that all Chief Executive Officer credit card vouchers now be presented to the Audit Committee for consideration and recommendation to Council. This is particularly the case given the authorisation required for the Chief Executive Officer credit card.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996, Regulation 13 – List of Accounts.

POLICY IMPLICATIONS

CS-PROCUREMENT POLICY. Policy CS-11 as amended, sets the guides with regards to the purchase of goods or services provided.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

Maintain integrated strategic and operational plans

ATTACHMENTS

1. CEO Credit Card Listing from November 2022 to January 2023

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Audit Committee,

1. Accept listing (attached) of credit card invoices totalling \$8,717.01 paid from November 2022 to January 2023 by the Chief Executive Officer under delegated authority of Council.
2. Recommend the Council receive the listing of credit card invoices totalling \$8,717.01 paid from the period November 2022 to January 2023 by the Chief Executive Officer under delegated authority.
3. Recommend to Council the Shire President authorise the credit card vouchers totalling \$8,717.01 paid from November 2022 to January 2023 by the Chief Executive Officer under delegated authority.

AUDIT COMMITTEE RESOLUTION #51/2023

Moved: Cr Kathie Lindup

Seconded: Cr Rose Mitchell

That the Audit Committee,

1. **Accept listing (attached) of credit card invoices totalling \$8,717.01 paid from November 2022 to January 2023 by the Chief Executive Officer under delegated authority of Council.**
2. **Recommend the Council receive the listing of credit card invoices totalling \$8,717.01 paid from the period November 2022 to January 2023 by the Chief Executive Officer under delegated authority.**
3. **Recommend to Council the Shire President authorise the credit card vouchers totalling \$8,717.01 paid from November 2022 to January 2023 by the Chief Executive Officer under delegated authority.**

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

Against: Nil

CARRIED 5/0



Shire of Coolgardie
Payments by Delegated Authority
1 November 2022 to 31 January 2023
CEO Credit Card Listing

Date	Description	Amount
3/11/2022	Cafe Kazu, Meeting Refreshments	\$ 156.59
4/11/2022	Virgin Australia, Refund for change of flight for CEO	\$ 59.00
4/11/2022	Virgin Australia, Flights for CEO, Kal-Per Return, 9-10 Nov 22 - Meeting with BHP	\$ 427.00
4/11/2022	Live Taxi Australia, Taxi Charges, CEO to attend meeting with Lithco	\$ 86.09
4/11/2022	Live Taxi Australia, Taxi Charges, CEO to attend meeting with Lithco	\$ 86.09
4/11/2022	Gm Cabs Pty Ltd, Taxi Charges, CEO to attend meetings	\$ 48.67
4/11/2022	Crown Towers Perth Burswood, Accommodation for CEO - LG State Conference Awards Dinner	\$ 860.91
7/11/2022	Ingot Hotel Belmont, Accommodation for CEO - Attend Meetings in Perth	\$ 273.56
7/11/2022	Crown Perth Burswood, Accommodation for CEO - Attend Meetings in Perth	\$ 109.42
7/11/2022	Swan Taxis Pty Ltd, Taxi Charges	\$ 29.56
7/11/2022	Gm Cabs Pty Ltd, Taxi Charges	\$ 31.13
8/11/2022	Adobe Acropro Monthly Subscription for organisation	\$ 546.85
11/11/2022	Gm Cabs Pty Ltd, Taxi Charges	\$ 54.23
11/11/2022	Xero Au Inv-24791765, GVROC Monthly Fee	\$ 59.00
14/11/2022	Mercure Hotel Perth, Accommodation for CEO - BHP Meeting	\$ 264.88
14/11/2022	Gm Cabs Pty Ltd, Taxi Charges	\$ 57.75
16/11/2022	Virgin Australia, Refund for change of flight for CEO	\$ 29.00
23/11/2022	Comfort Inn, Accommodation for CEO - Attend meetings in Adelaide	\$ 150.00
24/11/2022	Canberra Accommodation Centre - Cancellation of accommodation fee	\$ 109.35
24/11/2022	Qantas Airways Ltd, Flights for CEO, ADE-CAN, 22 Nov 22 - Attending Meetings in Canberra	\$ 939.17
24/11/2022	Qantas Airways Ltd Flights for CEO, CAN - ADE, 22 Nov 22 - Flight back to Adelaide after meetings	\$ 939.17
28/11/2022	Qantas Airways Ltd, Refund of cancelled flights	\$ 830.77
28/11/2022	Qantas Airways Ltd, Refund of cancelled flights	\$ 830.77
28/11/2022	Fairfax Monthly Subscription	\$ 59.00
30/11/2022	Monty's Restaurant Kalgoorlie	\$ 39.00
8/12/2022	Tickets-Rotto Tech Fes, General Admission for CEOI - Rotto Tech Fest 9th Dec 2022	\$ 403.03
8/12/2022	Adobe Acropro Monthly Subscription for Organisation	\$ 546.85
12/12/2022	Mercure Perth, Accommodation for CEO - Business Meetings	\$ 585.37
12/12/2022	Xero Au Inv-25316561, GVROC Monthly Subscription	\$ 59.00
12/12/2022	Spotto WA, Taxi Charges - Perth Meetings	\$ 50.72
15/12/2022	Paydirt Media, Subscription and Registration for CEO - 2023 Paydirt Battery Mineral Conference	\$ 1,047.50
21/12/2022	Wanewsdit, Monthly Subscription for West Australian and Sunday Times	\$ 84.00
21/12/2022	City Of Perth Parking	\$ 5.05
21/12/2022	City Of Perth Parking-Ons Perth	\$ 5.15
30/12/2022	Fairfax Monthly Subscription for Financial Review	\$ 59.00
9/01/2023	Puma Energy, Fuel for P385	\$ 142.89
9/01/2023	Adobe Acropro Monthly Subscription for Organisation	\$ 546.85
9/01/2023	Live Taxi Australia, Taxi Charges	\$ 24.57
9/01/2023	Harvey Norman Final payment for Milk fridge for Bluebush Village	\$ 199.00
10/01/2023	Ampol Coolgardie, Fuel for P385	\$ 107.32
11/01/2023	Xero Au, Monthly Subscription for GVROC	\$ 59.00
19/01/2023	Hi Bench Espresso - Coffee for Business Meeting	\$ 10.20
27/01/2023	Virgin Australia, Flights for CEO, Per-Mel-Can Return, 20-23 Mar 23, Cancelled and refunded to travel bank	\$ 1,120.01
27/01/2023	Virgin Australia, Flights for CEO, Per-Mel-Can Return, 20-23 Mar 23, Cancelled and refunded to travel bank	\$ 10.86
27/01/2023	Fairfax Monthly Subscriptions for Financial Review	\$ 59.00
30/01/2023	Town Of Victoria Park, Parking	\$ 3.18
30/01/2023	CPP Regal Place Perth, Parking	\$ 8.08
30/01/2023	City of Subiaco, Parking	\$ 2.50
	Total	\$ 8,717.01

5.2.3 AUDIT LOG

Location: Shire of Coolgardie
Applicant: Nil
Disclosure of Interest: Nil
Date: 9 March 2023
Author: Robert Hicks, Deputy Chief Executive Officer

SUMMARY

That the Audit Committee receive the attached Executive Leadership Team Agenda Paper Status of Audit Log dated 16 February 2023 and Coolgardie Internal Audit Log.

BACKGROUND

The Shire engaged Moore Australia as its internal auditor for the three-year period 31 December 2021 to 31 December 2023, with the overall intent to support the Shire to accomplish its objectives and to improve the effectiveness of its risk management, governance, and control processes.

At the 20 September 2022 Audit Committee meeting it was resolved –

That the Audit Committee;

- 1. RECEIVE the attached Audit Log**
- 2. Request the Chief Executive Officer prioritise risks with High Rating in the attached Audit Log to be dealt with during 2022/2023 Financial Year**
- 3. Request the Chief Executive Officer report quarterly to the Audit Committee progress on all risks with a High Rating in the attached Audit Log**
- 4. Request the Chief Executive to report twice in the 2022/2023 Financial Year on all risks in the attached Audit Log**

At the 27 September 2022 Ordinary Council Meeting it was resolved:

That Council APPROVE the attached Risk Management-Internal Audit Log which focuses on the high and medium rated findings from the Risk Management conducted by Moore to be actioned between September 2022 and June 2023.

COMMENT

Moore has been engaged to monitor the status of the internal audit log and to validate recommendations which have been completed by management.

In summary, the audit log is not complete, and Moore are awaiting the relevant information from Management to complete the audit log. Further, several recommendations in the different audit areas are considered by Management as completed however Moore have not received evidence to validate this.

CONSULTATION

Shire of Coolgardie Executive team

STATUTORY ENVIRONMENT

Part 7, Local Government Act 1995.

Section 14 and 15, Local Government (Audit) Regulations 1996.

Regulation 17, Local Government (Audit) Regulations 1996.

Regulation 5(2)(c), Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS**Accountable and effective leaders**

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Executive Leadership Team Agenda Paper Status of Audit Log 16 February 2023
2. Coolgardie Internal Audit

VOTING REQUIREMENT

Simple majority

OFFICER RECOMMENDATION

That the Audit Committee;

RECEIVE the attached Executive Leadership Team Agenda Paper Status of Audit Log dated 16 February 2023 and Coolgardie Internal Audit Log.

AUDIT COMMITTEE RESOLUTION #52/2023

Moved: Cr Tracey Rathbone

Seconded: Cr Rose Mitchell

That the Audit Committee;

RECEIVE the attached Executive Leadership Team Agenda Paper Status of Audit Log dated 16 February 2023 and Coolgardie Internal Audit Log.

In Favour: Crs Malcolm Cullen, Tracey Rathbone, Rose Mitchell, Kathie Lindup and Tammee Keast

Against: Nil

CARRIED 5/0



EXECUTIVE LEADERSHIP TEAM
AGENDA PAPER
STATUS OF AUDIT LOG

SHIRE OF COOLGARDIE

16 FEBRUARY 2023





1. Objective

Moore Australia has been engaged to monitor the status of the internal audit log and to validate recommendations which have been completed by Management. The objective of the engagement is to assist Management to improve the transparency, accountability, and timeliness of implementation of the recommendations.

2. Scope

The scope of the engagement is to:

1. Identify the internal audits, financial audits, performance audits, FMR and Reg 17 audits, which have been performed in the past 5 years.
2. Request and receive from Management copies of the final reports.
3. Include all recommendations from the audit reports and management letters in a comprehensive Shire of Coolgardie Audit Log.
4. Request from Management evidence to validate the implementation of the recommendations.
5. Validate the recommendations by sighting evidence from the Shire that the recommendations have been fully implemented.
6. If there is insufficient evidence to validate the recommendation, then to liaise with Management to seek additional evidence.
7. Prepare a report for the ELT when required, summarising the results of the above work performed.
8. Provide any insights that are evident from the engagement that may assist with the objective of improving transparency, accountability, and timeliness of implementation of the recommendations.





3. Summary of Activities

A summary of the Audit Log activity is set out below:

Audit	Summary Comments
Internal Audit Recommendations	1) Management considers 8 recommendations as complete, however <u>we have not received evidence</u> to validate that the recommendations were adequately implemented. 2) We have followed-up with several Risk Owners to provide us with evidence to validate the closure of recommendations, however no evidence has been provided. 3) Several recommendations require "Due Dates". See Appendix 1, Sheet 1, Column I .
Financial Audit Recommendations	1) Management considers 16 recommendations as complete, however <u>we have not received evidence</u> to validate that the recommendations were adequately implemented. 2) All recommendations require "Due Dates". See Appendix 1, Sheet 2, Column I . 3) Several recommendations require "Risk Ratings". See Appendix 1, Sheet 2, Column F .
Performance Audit Recommendations	1) The Shire has not provided any Performance Audits reports so there are currently no recommendations included in the audit log.
FMR Audit Recommendations	1) Management considers 10 recommendations as complete, however <u>we have not received evidence</u> to validate that the recommendations were adequately implemented. 2) No information was provided to support the validation of the Financial Audit Recommendations. 3) All recommendations require "Due Dates". See Appendix 1, Sheet 4, Column J .
Reg 17 Audit Recommendations	1) Management considers 15 recommendations as complete, however <u>we have not received evidence</u> to validate that the recommendations were adequately implemented. 2) No information was provided to support the validation of the Financial Audit Recommendations. 3) All recommendations require "Due Dates". See Appendix 1, Sheet 5, Column J . 4) Several recommendations require "Risk Ratings". See Appendix 1, Sheet 5, Column G .





4. Overall Status

Overall status of the Audit Log is set out below:

	Audit Source	Not Started	In Progress	Management Considers Completed	Completed	Total Recommendations
As at 16 Feb 2023						
1	Internal Audit	33	24	8 *	0	65
2	Financial Audit	1	3	16 *	0	20
3	Performance Audit †	-	-	-	-	-
4	FMR	-	1	10 *	0	11
5	Reg 17	1	2	15 *	0	18
Total		35	30	49	0	114

Table 1: Overall Status of Audits

* These action items have been self-identified as completed by management, but insufficient evidence has been provided to validate and close the item.

† No Performance Audits have been provided as of this report.





5. Actions Outstanding for Completeness of the Audit Log

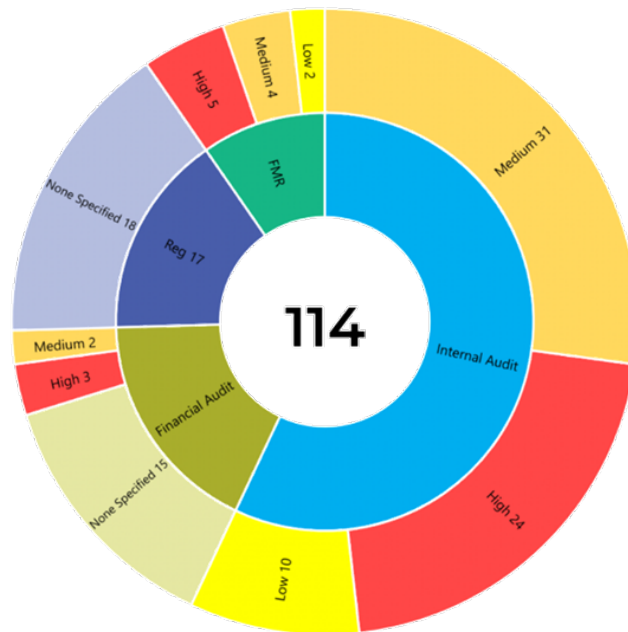
At minimum, the Audit log requires the following pieces of information to track the progress of recommendations implementations:

1. Source Report
2. Date of Report
3. Overall Finding
4. Risk Rating
5. Recommendation
6. Recommendation Owner
7. Due Date

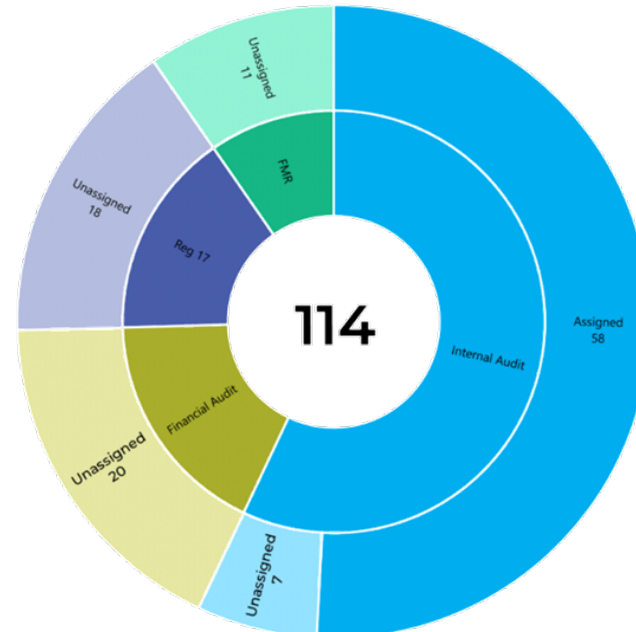
We have noted that several items are missing Risk Ratings and Due Dates as shown below:

(Reg 17 and Financial Audit areas are missing several Risk Ratings – Every area except Internal Audit have not assigned any due dates)

Risk Ratings by Area



Due Date Allocations by Area



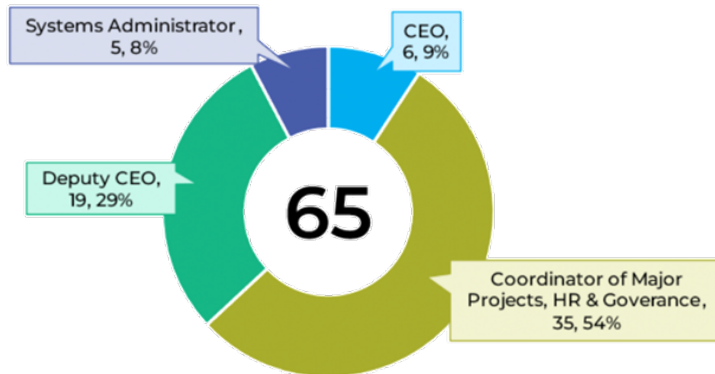


6. Breakdown of Internal Audit Recommendations

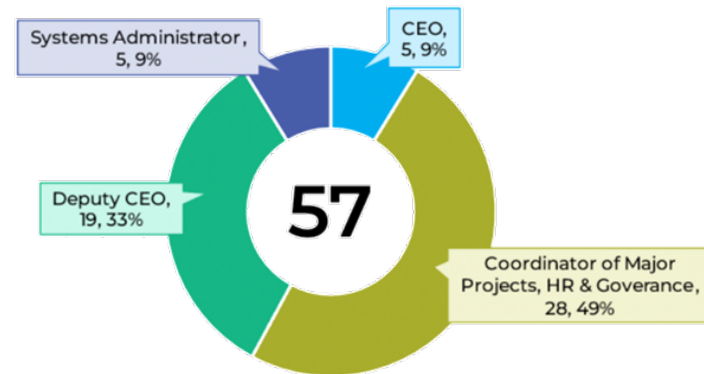
There are currently sixty-five (65) open internal audit recommendations and fifty-seven (57) [88%] of these recommendations are overdue.

Most of these outstanding items are assigned to the Coordinator of Major Projects, HR & Governance (35) [54%], followed by the Deputy CEO (19) [29%], then the CEO (6) [9%], and lastly the Systems Administrator (5) [8%]. We have also provided a breakdown of overdue recommendations per responsible officer.

Breakdown of Open Recommendations per Responsible Officer



Breakdown of Overdue Recommendations per Responsible Officer

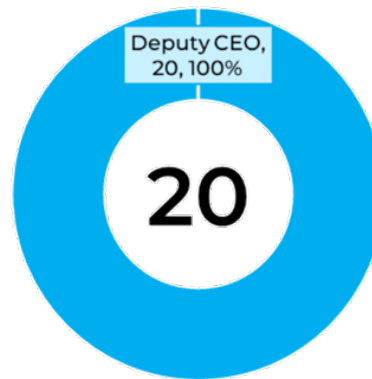




7. Breakdown of Financial Audit Recommendations

There are currently twenty (20) open recommendations from the Financial Audit area as per the audit log.
All of these items are currently assigned to the Deputy CEO.

Breakdown of Open Recommendations per Responsible Officer





8. Breakdown of Performance Audit Recommendations

As of this report, we have not been provided with any Performance Audit recommendations.



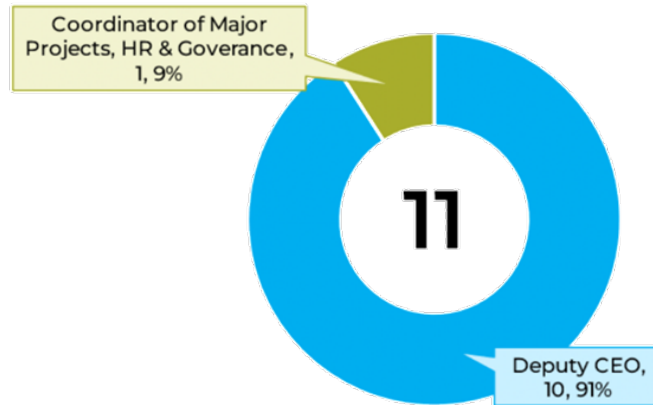


9. Breakdown of FMR Recommendations

There are currently eleven (11) open recommendations from the FMR area as per the Audit Log.

The majority of these outstanding items are assigned to the Deputy CEO (10) [91%], followed by the Coordinator of Major Projects, HR & Governance (1) [9%].

Breakdown of Open Recommendations per Responsible Officer



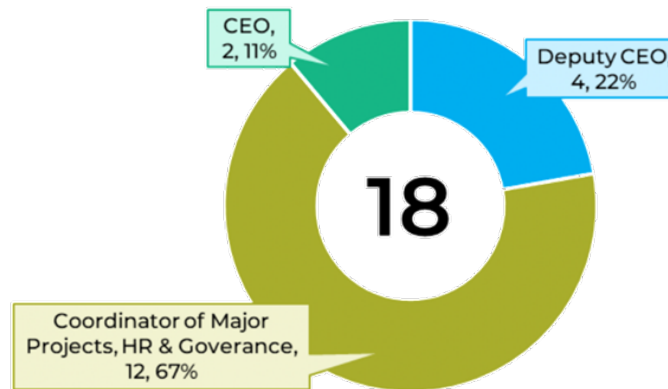


10. Breakdown of Reg 17 Recommendations

There are currently eighteen (18) open recommendations from the Reg 17 area as per the Audit Log.

The majority of these outstanding items are assigned to the Coordinator of Major Projects, HR & Governance (12) [67%], followed by the Deputy CEO (4) [22%], and lastly the CEO (2) [11%].

Breakdown of Open Recommendations per Responsible Officer





11. Other

Disclaimers

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Basis of Use

This report has been prepared in accordance with the objectives and approach agreed in the engagement document and subject to the following limitations:

1. Other than use by you for the purpose, our report cannot be issued, accessed, or relied upon by any third party without our prior written approval. Furthermore, neither the report nor extracts from it will be included in any document to be circulated to other third parties without our prior written approval of the use, form, and context in which it is proposed to be released. We reserve the right to refuse to grant approval to issue the reporting to any other party.
2. The matters raised in this report are only those which came to our attention while performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures under examination, or potential instances of non-compliance that may exist.

3. We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to statements and representations made by, and the information and documentation provided by, Management and personnel. We have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the client. The findings expressed in this report have been formed on the above basis.
4. Recommendations for improvement should be assessed by management for their full commercial impact before they are implemented.

Conflict of Interest

The firm is not aware of any existing or potential relationship, transaction or holding that would compromise its objectivity in the conduct of the services rendered, that has not previously been brought to the attention of Management. Should the possibility of a perceived or actual conflict arise the matter would be raised with the Chief Executive Officer immediately and activities suspended until the issue was resolved to your satisfaction.





Appendix 1: Audit Log as of 16 February 2023

(Please refer to separate spreadsheet)



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The information provided in this document is for general advice only and does not represent, nor intend to be advice. We recommend that prior to taking any action or making any decision, that you consult with an advisor to ensure that individual circumstances are taken into account.



Shire of Coolgardie

Coolgardie Shire of Coolgardie												Current Review Date: 15/09/23					
No	Date of Report	Auditor	Audit Type	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	CP/AD/COE Due	Final Due Date	Review Date	Overdue Status	Days until Due	Months until Due	Days Overdue	Client Progress Update	More Australia Comment	Status after Assessment
1	15-Mar-22	Moore Australia	Business Continuity	1. BCP Framework Enhance the current ICT Disaster Recovery Plan/Business Continuity Plan to include all the Shire's critical operational areas in line with AS 2229:2022 and the Shire's report on Information Systems Audit Report 2020 - Data Governance Issues.	High	CEO	The Shire of Coolgardie will develop a Business Continuity Plan which covers all operational capabilities and outlines the key roles and responsibilities of critical business objectives in the face of uncertainty or disruption. The Plan will identify the required facilities, technical infrastructure, key responsibilities and process that will be required to position the Shire to be able to respond and recover from a business interruption event.	31-Jul-22	15-Feb-23	Overdue	200				External resourcing being considered		Not Started
2	15-Mar-22	Moore Australia	Business Continuity	2. BCP Framework Update the Shire's Policy Manual to include the CEO's role pertinent to BCP	High	Coordinator of Major Projects, HR & Governance	The Shire of Coolgardie will develop a Business Continuity Plan which covers all operational capabilities and outlines the key roles and responsibilities of critical business objectives in the face of uncertainty or disruption. The Plan will identify the required facilities, technical infrastructure, key responsibilities and process that will be required to position the Shire to be able to respond and recover from a business interruption event.	01-May-22	15-Feb-23	Overdue	281				Deployment of development of BCP		Not Started
3	15-Mar-22	Moore Australia	Business Continuity	3. BCP Framework Assess the updated ICT Disaster Recovery Plan/Business Continuity Plan against the requirements of AS 2229:2022 and document the results of this assessment	High	Coordinator of Major Projects, HR & Governance	The Shire of Coolgardie will develop a Business Continuity Plan which covers all operational capabilities and outlines the key roles and responsibilities of critical business objectives in the face of uncertainty or disruption. The Plan will identify the required facilities, technical infrastructure, key responsibilities and process that will be required to position the Shire to be able to respond and recover from a business interruption event.	31-Jul-22	15-Feb-23	Overdue	200				All above		Not Started
4	15-Mar-22	Moore Australia	Business Continuity	4. Business Impact Analysis (BIA) Perform a formal BIA in accordance with AS 2229:2022 and document the results to inform the Shire's BCP plan and related responsibilities.	High	CEO	Management acknowledges the need for a Business Impact Analysis	31-Aug-22	15-Feb-23	Overdue	189				Acknowledged		Not Started
5	15-Mar-22	Moore Australia	Business Continuity	5. BCP Awareness and Communication Strategy Develop and implement a formal BCP Awareness and Communication Strategy and inform the various stakeholders that the Shire will need to communicate with	High	Deputy CEO	Management acknowledges the need for a Business Continuity Plan (BCP) Awareness and Communications Strategy	30-Nov-22	15-Feb-23	Overdue	70				To be included as part of the BCP development		Not Started
6	15-Mar-22	Moore Australia	Business Continuity	6. BCP Training and Scenario Testing Include formal BCP training and scenario testing for non-IT related incidents and emergencies of the Shire's BCP Framework including induction training and subsequent periodic training	High	Coordinator of Major Projects, HR & Governance	The Shire will provide the appropriate training and scenario testing	01-Jul-22	15-Feb-23	Overdue	230				Conduct once BCP is in place		Not Started
7	15-Mar-22	Moore Australia	Business Continuity	7. BCP Training and Scenario Testing Develop and implement a regular review of BCP related training and scenario testing	High	Coordinator of Major Projects, HR & Governance	The Shire will provide the appropriate training and scenario testing	01-Jul-22	15-Feb-23	Overdue	230				All above		Not Started
8	15-Mar-22	Moore Australia	Business Continuity	8. BCP Monitoring and Reporting Develop and implement a formal BCP Monitoring and Reporting procedure	High	Deputy CEO	Management acknowledges the importance of monitoring and reporting	31-Jul-22	15-Feb-23	Overdue	200				All above		Not Started
9	15-Mar-22	Moore Australia	Business Continuity	8. BCP Monitoring and Reporting Implement a liaison named register to monitor and report on reporting activities	High	Coordinator of Major Projects, HR & Governance	Management acknowledges the importance of monitoring and reporting	01-Jul-22	15-Feb-23	Overdue	230				Will consider		Not Started
10	15-Mar-22	Moore Australia	Business Continuity	10. BIA Regular Review the existing risk register by including all BCP-related dependencies (DRS) in line with the findings from the BIA	Medium	Coordinator of Major Projects, HR & Governance	Management acknowledges the importance of including dependencies (DRS) in the risk register (DRS included BCP plan)	30-Jun-23	15-Feb-23	Open	134	More than 2 months			Will consider		Not Started
11	15-Mar-22	Moore Australia	Business Continuity	11. Internal and External Independence Review implement and conduct an independence review to identify issues and document the outcomes and findings from the review	Medium	Deputy CEO	Management agrees that an assessment to identify independence issues should be undertaken	01-Oct-22	15-Feb-23	Overdue	138				Will consider		Not Started
12	15-Mar-22	Moore Australia	Conflict of Interest	1. CoI Management Consider reviewing and implementing a comprehensive departmental functional management and CoI-related practice as per the findings from the review	Medium	CEO	Management acknowledges the need for physical and financial resources for the development, implementation and maintenance of CoI and conflict of interest	31-May-22	15-Feb-23	Overdue	261				Budget approval for purchase to implementation of risk management software is still		In Progress
13	15-Mar-22	Moore Australia	Conflict of Interest	2. CoI Management Consider appointing a resource (which may be a current employee with dual role) to perform CoI management including CoI practices within the Shire	Medium	CEO	Management acknowledges the need for physical and financial resources for the development, implementation and maintenance of CoI and conflict of interest	31-May-22	15-Feb-23	Overdue	261				Resource has been identified and approved		In Progress
14	15-Mar-22	Moore Australia	Conflict of Interest	3. Completeness and Accuracy of Reference to Legislation Amend and update the references in the local policies in accordance with the Local Government Act 1993 and Local Government Administrative Regulations 1996	Low	Coordinator of Major Projects, HR & Governance	Management acknowledges the Shire's increased their responsibility to ensure of updates to their plans, policies and procedures to ensure correct and accurate information and instructions	30-Jun-22	15-Feb-23	Overdue	231				Internal & external resource engaged		Not Started
15	15-Mar-22	Moore Australia	Conflict of Interest	4. CoI Training Develop and implement a CoI training program for Council, Management, employees, contractors and volunteers which is supported by assessment components and scheduled refresher training. This should be underpinned by a CoI training program for risk and CoI related activities	Medium	Coordinator of Major Projects, HR & Governance	Management acknowledges the need for an employee training program pertinent to CoI set out by the Shire	31-Jul-22	15-Feb-23	Overdue	200				Internal & external resource identified to develop & implement training program		In Progress
16	15-Mar-22	Moore Australia	Conflict of Interest	5. Completeness and Accuracy of Induction Checklists Prepare and approve the induction checklist to include CoI training and education	High	Coordinator of Major Projects, HR & Governance	Management acknowledges the need to review induction checklist and process to include CoI	31-Aug-22	15-Feb-23	Overdue	261				Internal & external resource identified to develop & implement training program		Not Started
17	15-Mar-22	Moore Australia	Conflict of Interest	6. Completeness and Accuracy of Induction Checklists Include CoI as part of the Shire's induction checklist as well as within the induction checklist	High	Coordinator of Major Projects, HR & Governance	Management acknowledges the need to review induction checklist and process to include CoI	31-May-22	15-Feb-23	Overdue	261				All above		Not Started
18	15-Mar-22	Moore Australia	Conflict of Interest	7. Management and approval of CoI Develop, approve and implement procedures to effectively identify, manage, monitor, report and approve any potential or potential conflicts of interest and outline the ongoing responsibilities of the individuals required to evaluate CoI	Low	Coordinator of Major Projects, HR & Governance	Management acknowledges the need to develop procedures and assigned responsibilities to manage, monitor, report and approve CoI matters	30-Jun-22	15-Feb-23	Overdue	231				All above		Not Started
19	15-Mar-22	Moore Australia	Contract Management	1. Contract Management Framework Develop and implement a comprehensive documented contract management framework, including policies, procedures and guidelines to ensure best practice principles such as the Western Australian Procurement Code 2022, the WA Contract Management Framework Principles and the OAG report dated May 2020 - Local Government Contract Breaches and Variations	High	CEO	The Shire has a contract management framework in place. Furthermore, a register is being maintained and reported on to Council. It is agreed the framework including policies, procedures and guidelines exists however needs to be documented	31-May-22	15-Feb-23	Overdue	261				Contract management software already implemented via Part		Management Consider Completed
20	15-Mar-22	Moore Australia	Contract Management	2. Contract Management Training Develop and implement appropriate contract management training for all staff involved in managing contracts using the procurement competency matrix	High	Coordinator of Major Projects, HR & Governance	Management acknowledges importance of contract management training	30-Jun-22	15-Feb-23	Overdue	231				Working with Part		In Progress
21	15-Mar-22	Moore Australia	Contract Management	3. Contract Performance Management Implement and perform regular performance review with contract inspection of whether a contract extension option is exercised	High	Coordinator of Major Projects, HR & Governance	The Part system was implemented in September 2020. Performance review templates are now available within the Part system and are being utilised by Management for Contract Performance Review. The form includes how the performance is measured and who conducted the review	31-Jul-22	15-Feb-23	Overdue	200				Done		Management Consider Completed
22	15-Mar-22	Moore Australia	Contract Management	4. Contract Performance Management Develop a risk review, in accordance with the Department of Finance's Supplier Performance Management Framework for contract managers to use during contract performance review	High	Coordinator of Major Projects, HR & Governance	The Part system was implemented in September 2020. Performance review templates are now available within the Part system and are being utilised by Management for Contract Performance Review. The form includes how the performance is measured and who conducted the review	31-Jul-22	15-Feb-23	Overdue	200				Done		Management Consider Completed
23	15-Mar-22	Moore Australia	Contract Management	5. Contract Performance Management Enhance the current 'Contract Performance Review' form to include, but not limited to, the following: • Details of the performance review; • Date when the performance review was conducted; • Details for the performance review; and • Results of the performance review against the criteria	High	Coordinator of Major Projects, HR & Governance	The Part system was implemented in September 2020. Performance review templates are now available within the Part system and are being utilised by Management for Contract Performance Review. The form includes how the performance is measured and who conducted the review	Complete	15-Feb-23	Open	N/A/UE				Will do		In Progress

24	15-Mar-22	Moore Australia	Contract Management	6. Record Management Ensure appropriate record keeping practices in line with the State's Recordkeeping Plan to support compliance with the State's General Records Conditions.	Medium	Coordinator of Major Projects, HR & Governance	Noted by Management, all documentation kept in SharePoint systems to be reviewed as documented in the report.	Complete	18-Feb-23	Open	NA/UC	NA/UC	None software	In Progress
25	15-Mar-22	Moore Australia	Records Management	7. Security and Recovery of State Records Develop an annual program to assess the State's storage facilities and report to Council on the results of the assessment.	Medium	Coordinator of Major Projects, HR & Governance	The State of Coaguard will incorporate the Record Recovery plan into its current Business Continuity Plan. The Plan will demonstrate the measures in place to ensure the recovery of hardcopy records post emergency should there be a long outage or disaster.	30-Jun-22	18-Feb-23	Overdue	139			In Progress
26	15-Mar-22	Moore Australia	Records Management	7. Security and Recovery of State Records Develop and implement a 'Records Recovery Plan'.	Medium	Coordinator of Major Projects, HR & Governance	The State of Coaguard will incorporate the Record Recovery plan into its current Business Continuity Plan. The Plan will demonstrate the measures in place to ensure the recovery of hardcopy records post emergency should there be a long outage or disaster.	30-Jun-22	18-Feb-23	Overdue	231			Not started
27	15-Mar-22	Moore Australia	Records Management	7. Security and Recovery of State Records Develop an annual program to test the efficiency of the 'Records Recovery Plan'.	Medium	Coordinator of Major Projects, HR & Governance	The State of Coaguard will incorporate the Record Recovery plan into its current Business Continuity Plan. The Plan will demonstrate the measures in place to ensure the recovery of hardcopy records post emergency should there be a long outage or disaster.	30-Jun-22	18-Feb-23	Overdue	231			In Progress
28	15-Mar-22	Moore Australia	Records Management	8. Record Keeping Audit As required by the State's RCP, identify, audit and report, record and track identified deficiencies.	Low	Coordinator of Major Projects, HR & Governance	The State of Coaguard has a self-audit tool within the Coaguard Culture that allows any staff member to access confidential & personal records. Such as personal and confidential information are accessible to the staff, we have access to staff personal information only. Additionally staff have access to administrative records only.	30-Apr-23	18-Feb-23	Overdue	170			In Progress
29	15-Mar-22	Moore Australia	Records Management	8. Record Keeping Training and Awareness Develop and implement regular Records Management training to all staff and report, monitor and report on the training.	Medium	Coordinator of Major Projects, HR & Governance	The State will conduct a review of current Records Management procedures and process staff access to data through the State's internet portal.	30-Jun-22	18-Feb-23	Overdue	231			Not started
30	15-Mar-22	Moore Australia	Records Management	8. Record Keeping Training and Awareness Develop and implement regular monitoring and reporting processes to ensure efficient and effective records management practices.	Medium	Coordinator of Major Projects, HR & Governance	The State acknowledges the need to regularly monitor and report on the efficiency and effective records management practices.	30-Sep-22	18-Feb-23	Overdue	139			In Progress
31	08-Jul-22	Moore Australia	Fraud and Corruption	1. Risk Management Framework, Fraud and Corruption Policy, Framework and Plan Develop and implement a Risk Management Framework which identifies the approach to risk management within the State with consideration of better practice principles, a review of the Auditor General reports and ISO 31000:2018 Risk Management.	Medium	Systems Administrator	There are currently measures in place to address the risk of fraud activity within the Finance department. Agreed that the organisation could benefit from the implementation of more stringent plans and the allocation of additional resources.	01-Apr-22	18-Feb-23	Overdue	321		Internal & external resources identified	Not started
32	08-Jul-22	Moore Australia	Fraud and Corruption	2. Risk Management Framework, Fraud and Corruption Policy, Framework and Plan Review the Fraud and Corruption Prevention Model to be suitable plan prevention and detection of fraud and corruption standards AS 3001:2021 and the key elements from this standard.	Medium	Systems Administrator	There are currently measures in place to address the risk of fraud activity within the Finance department. Agreed that the organisation could benefit from the implementation of more stringent plans and the allocation of additional resources.	01-Apr-22	18-Feb-23	Overdue	321			In Progress
33	08-Jul-22	Moore Australia	Fraud and Corruption	3. Risk Management Framework, Fraud and Corruption Policy, Framework and Plan Develop and implement a Fraud and Corruption Control Framework with consideration of better practice principles, a review of the Auditor General reports and the AS 3001:2021.	Medium	Systems Administrator	There are currently measures in place to address the risk of fraud activity within the Finance department. Agreed that the organisation could benefit from the implementation of more stringent plans and the allocation of additional resources.	01-Apr-22	18-Feb-23	Overdue	321			In Progress
34	08-Jul-22	Moore Australia	Fraud and Corruption	4. Risk Management Framework, Fraud and Corruption Policy, Framework and Plan Develop and implement a Fraud and Corruption Control Framework with consideration of better practice principles and the AS 3001:2021.	Low	Systems Administrator	There are currently measures in place to address the risk of fraud activity within the Finance department. Agreed that the organisation could benefit from the implementation of more stringent plans and the allocation of additional resources.	01-Apr-22	18-Feb-23	Overdue	321			In Progress
35	08-Jul-22	Moore Australia	Fraud and Corruption	5. Risk Management Framework, Fraud and Corruption Policy, Framework and Plan Develop Fraud and Corruption Control procedures which considers the above documents and provides guidance to staff as to how and when to report suspected fraud.	High	Systems Administrator	There are currently measures in place to address the risk of fraud activity within the Finance department. Agreed that the organisation could benefit from the implementation of more stringent plans and the allocation of additional resources.	01-Apr-22	18-Feb-23	Overdue	321			In Progress
36	08-Jul-22	Moore Australia	Fraud and Corruption	6. Budget and Revenue Support a Fraud and Corruption Officer (or may have other responsibilities) within the State to be responsible for and promote the planning, oversight, detection and response to Fraud. The officer should report on the progress of the officer to the responsible officer and responsible to manage fraud and corruption activities. (This officer is not related to the role).	High	Deputy CEO	Management is of the opinion that existing measures in place adequately address the risk of fraud within the organisation. A designated Fraud & Corruption Officer is currently utilised for the State of Coaguard, however the function could be incorporated within an existing role within the organisation. A budget consideration for additional resources for fraud and corruption management will be considered in future budget considerations with Council.	01-Apr-22	18-Feb-23	Overdue	321			N/A
37	08-Jul-22	Moore Australia	Fraud and Corruption	7. Budget and Revenue Identify consider fraud and corruption management and activities in the State's budget setting process.	High	Deputy CEO	Management is of the opinion that existing measures in place adequately address the risk of fraud within the organisation. A designated Fraud & Corruption Officer is currently utilised for the State of Coaguard, however the function could be incorporated within an existing role within the organisation. A budget consideration for additional resources for fraud and corruption management will be considered in future budget considerations with Council.	01-Feb-22	18-Feb-23	Overdue	300			N/A
38	08-Jul-22	Moore Australia	Fraud and Corruption	8. Ethical Culture - Training and Communication The Audit Committee Chapters should include an explicit statement demonstrating the State's zero-tolerance approach towards fraud and corruption, including its responsibility for fraud and corruption.	High	Deputy CEO	In last 12-24 months the State has made a significant investment into providing training and support in the areas of the Financial & other interest disclosures, related parties, disclosure of gifts, code of conduct and other governance matters including the engagement of a specialised external governance professional within years of industry experience. If not without saying that the State, and any other organisation for that matter, should and would have a zero tolerance to fraud & corruption.	01-Apr-22	18-Feb-23	Overdue	321			Not started
39	08-Jul-22	Moore Australia	Fraud and Corruption	8. Ethical Culture - Training and Communication Perform annual fraud and corruption related training and awareness programs which is monitored and reported.	High	Deputy CEO	In last 12-24 months the State has made a significant investment into providing training and support in the areas of the Financial & other interest disclosures, related parties, disclosure of gifts, code of conduct and other governance matters including the engagement of a specialised external governance professional within years of industry experience. If not without saying that the State, and any other organisation for that matter, should and would have a zero tolerance to fraud & corruption.	01-Jun-22	18-Feb-23	Overdue	200			Not started
40	08-Jul-22	Moore Australia	Fraud and Corruption	10. Ethical Culture - Training and Communication Develop a fraud and corruption communication strategy to embed management's zero-tolerance towards fraud and corruption.	Low	Deputy CEO	In last 12-24 months the State has made a significant investment into providing training and support in the areas of the Financial & other interest disclosures, related parties, disclosure of gifts, code of conduct and other governance matters including the engagement of a specialised external governance professional within years of industry experience. If not without saying that the State, and any other organisation for that matter, should and would have a zero tolerance to fraud & corruption.	01-Apr-22	18-Feb-23	Overdue	321			In Progress
41	08-Jul-22	Moore Australia	Fraud and Corruption	11. Ethical Culture - Training and Communication After developing and implementing a fraud and corruption related policy, place these on their website for access to the public.	Low	Deputy CEO	In last 12-24 months the State has made a significant investment into providing training and support in the areas of the Financial & other interest disclosures, related parties, disclosure of gifts, code of conduct and other governance matters including the engagement of a specialised external governance professional within years of industry experience. If not without saying that the State, and any other organisation for that matter, should and would have a zero tolerance to fraud & corruption.	01-Jun-22	18-Feb-23	Overdue	200		Policy in place	Management Considered Completed

42	08-Jun-22	Moore Australia	Fraud and Corruption	12. Ethics Culture - Training and Communication Consider conducting a Fraud and Corruption Survey of staff, contractors and visitors, to ascertain understanding of Fraud and corruption policy and procedures and also advise the Shire, it can also include their consent in reporting conduct and their role of whether the Shire has a tolerance to Fraud and corruption, audit Fraud and Corruption survey findings prepared and is attached in Appendix A.	Medium	Deputy CEO	In last 12-24 months the Shire has made a significant investment into providing training and support in the areas of the Financial & other internal disclosures, related parties, disclosure of gifts, Code of conduct and other governance matters including the engagement of a professional within years of industry experience. I agree without saying that the Shire, and any other organization for that matter, should and would have a zero tolerance to Fraud & corruption.	05-Jun-22	16-Feb-23	Overdue	200	Noted	In Progress
43	08-Jun-22	Moore Australia	Fraud and Corruption	13. Ethics Culture - Training and Communication Consider sending a letter to all customers and suppliers to advise the Shire's zero-tolerance to Fraud and corruption and their policies for the management of conflict of interests, gifts, benefits, and hospitality, and management of Fraud and corruption. The letter should also include the request for assistance Fraud and corruption to be reported to the Shire. A draft letter has been prepared and is attached in Appendix A.	Medium	Deputy CEO	In last 12-24 months the Shire has made a significant investment into providing training and support in the areas of the Financial & other internal disclosures, related parties, disclosure of gifts, Code of conduct and other governance matters including the engagement of a professional within years of industry experience. I agree without saying that the Shire, and any other organization for that matter, should and would have a zero tolerance to Fraud & corruption.	05-Jun-22	16-Feb-23	Overdue	200	Noted	N/A
44	08-Jun-22	Moore Australia	Fraud and Corruption	14. Code of Conduct Consider reviewing the Code of Conduct and the role of the Fraud and Corruption Management Policy Manual.	Medium	Coordinator of Major Projects, HR & Governance	Agreed that there is merit in having one Code of Conduct for both external and internal staff.	05-Jun-22	16-Feb-23	Overdue	200	Done	Management Considered Completed
45	08-Jun-22	Moore Australia	Fraud and Corruption	15. Fraud Management Manual Develop and implement a Fraud Management Manual for the Shire.	Medium	Deputy CEO	Management is confident that existing measures in place significantly reduce the risk of fraud within the organization, however agreed that a formal documented Fraud Management Manual has merit.	05-Jun-22	16-Feb-23	Overdue	200	To be considered	Not started
46	08-Jun-22	Moore Australia	Fraud and Corruption	16. Role on or off staff Consider reporting staff in lay Fraud risk areas periodically.	Medium	Coordinator of Major Projects, HR & Governance	The resignation of staff isn't always the best way to deal with an issue as the Shire may have had the resources to employ additional staff to deal with the concerns raised in an audit report in relation to the resignation of staff. The resignation of staff is not always the best way to deal with an issue as the Shire may have had the resources to employ additional staff to deal with the concerns raised in an audit report in relation to the resignation of staff. The resignation of staff is not always the best way to deal with an issue as the Shire may have had the resources to employ additional staff to deal with the concerns raised in an audit report in relation to the resignation of staff.	05-Jun-22	16-Feb-23	Overdue	200	Noted	N/A
47	08-Jun-22	Moore Australia	Fraud and Corruption	17. Fraud Risk Register and Fraud Risk Assessment Perform fraud risk assessments to identify Fraud and corruption risks and include them into the Fraud Risk Register.	Medium	Deputy CEO	While it may not be documented, management is confident that existing measures in place significantly reduce the risk of fraud within the organization.	05-Jun-22	16-Feb-23	Overdue	200	Noted	N/A
48	08-Jun-22	Moore Australia	Fraud and Corruption	18. Fraud Risk Performance Indicators Develop and monitor Fraud risk performance indicators to identify monitor and report Fraud and corruption risk within the Shire.	Medium	Deputy CEO	While it may not be documented, management is confident that existing measures in place significantly reduce the risk of fraud within the organization. Fraud risk indicators would be documented as part of the Fraud Risk Assessment process.	05-Jun-22	16-Feb-23	Overdue	200	Noted	N/A
49	08-Jun-22	Moore Australia	Fraud and Corruption	19. Fraud Detection Techniques Develop and implement fraud detection techniques within the Shire. Consider the use of data analysis to assist in the detection and prevention of potential fraud.	Medium	Deputy CEO	Agreed that the use of data analysis has merit in the detection of Fraud & corruption.	05-Jun-22	16-Feb-23	Overdue	200	Noted	Not started
50	08-Jun-22	Moore Australia	Fraud and Corruption	20. Fraud Detection Techniques Implement continuous monitoring systems to assist in the Shire's financial management systems to search and respond to endogenous control.	Medium	Deputy CEO	Agreed that the use of data analysis has merit in the detection of Fraud & corruption.	05-Jun-22	16-Feb-23	Overdue	200	Noted	Not started
51	08-Jun-22	Moore Australia	Fraud and Corruption	21. Debtor, Supplier and Payroll Management Implement a due diligence process before registering debitors and suppliers on the giro information system.	Medium	Deputy CEO	Debtors, creditors & payroll maintenance is currently reviewed on a regular basis and audit trails are run, signed & reviewed prior to all payments. Management is confident that there was no evidence of remuneration letters for staff. The list of terminated employees also includes casual employees who are not required to provide termination letters. Staff and management are aware of duplicate files but have maintained existing records rather than deleting such records to maintain an audit file as most of the duplicate files have records attached. Staff are aware of the need to declare transactions to suppliers and are required to complete annual-related party declarations. Agreed that more care is required when setting up new debtors, creditors and payroll files to reduce duplication of records.	05-Jun-22	16-Feb-23	Overdue	200	Noted	In Progress
52	08-Jun-22	Moore Australia	Fraud and Corruption	22. Debtor, Supplier and Payroll Management Review the debtor and creditor listing and register (and/or remove any redacted creditor) that have not been used over the past two financial years and implement a program to regularly review these listings.	Low	Deputy CEO	Debtors, creditors & payroll maintenance is currently reviewed on a regular basis and audit trails are run, signed & reviewed prior to all payments. Management is confident that there was no evidence of remuneration letters for staff. The list of terminated employees also includes casual employees who are not required to provide termination letters. Staff and management are aware of duplicate files but have maintained existing records rather than deleting such records to maintain an audit file as most of the duplicate files have records attached. Staff are aware of the need to declare transactions to suppliers and are required to complete annual-related party declarations. Agreed that more care is required when setting up new debtors, creditors and payroll files to reduce duplication of records.	05-Jun-22	16-Feb-23	Overdue	200	Noted	In Progress
53	08-Jun-22	Moore Australia	Fraud and Corruption	23. Debtor, Supplier and Payroll Management Implement supporting documents available to be provided in the report, including the matters identified within the report and potential relationships between employees and the debitors and suppliers service providers and implement appropriate controls to ensure those matters and relationships found to be regular. Remit staff of the need to declare interests and conflicts of interests.	Medium	Deputy CEO	Debtors, creditors & payroll maintenance is currently reviewed on a regular basis and audit trails are run, signed & reviewed prior to all payments. Management is confident that there was no evidence of remuneration letters for staff. The list of terminated employees also includes casual employees who are not required to provide termination letters. Staff and management are aware of duplicate files but have maintained existing records rather than deleting such records to maintain an audit file as most of the duplicate files have records attached. Staff are aware of the need to declare transactions to suppliers and are required to complete annual-related party declarations. Agreed that more care is required when setting up new debtors, creditors and payroll files to reduce duplication of records.	05-Jun-22	16-Feb-23	Overdue	200	Noted	In Progress
54	08-Jun-22	Moore Australia	Fraud and Corruption	24. Public Interest Disclosure Policy and Procedures Develop and implement a Public Interest Disclosure Policy and Procedures to support the Shire's obligations under the Public Interest Disclosure Act 2013 and Regulations.	Medium	Coordinator of Major Projects, HR & Governance	The role of a Public Interest Disclosure Policy, that will apply to elected member, employee or member of public from reporting any suspicion of fraudulent activity under the Public Interest Disclosure Act 2013.	05-Jun-22	16-Feb-23	Overdue	200	Public Interest Disclosure policy in place	Management Considered Completed
55	08-Jun-22	Moore Australia	Fraud and Corruption	25. Public Interest Disclosure Officer Appoint at least two PIO Officers for the Shire and ensure that the Shire's interest and conflicts of interests.	High	Coordinator of Major Projects, HR & Governance	Acknowledged that the at least two PIO Officers is required to be appointed by the Shire as per the Public Interest Disclosure Act 2013.	05-Jun-22	16-Feb-23	Overdue	200	Done	Management Considered Completed
56	08-Jun-22	Moore Australia	Fraud and Corruption	26. Public Interest Disclosure Officer Include the approved PIO Officers on the Shire's Public Interest Disclosure Officer List.	High	Coordinator of Major Projects, HR & Governance	Acknowledged that the at least two PIO Officers is required to be appointed by the Shire as per the Public Interest Disclosure Act 2013.	05-Jun-22	16-Feb-23	Overdue	200	Done	Management Considered Completed
57	08-Jun-22	Moore Australia	Fraud and Corruption	27. Fraud and Corruption Incident Register and Public Interest Disclosure Register Develop and implement, report of the overall Fraud and Corruption Control framework, a Fraud and Corruption incident register.	High	Coordinator of Major Projects, HR & Governance	There is currently no Fraud and Corruption incident register as no incidents of suspected fraud have been reported.	05-Jun-22	16-Feb-23	Overdue	200	Noted	N/A

56	08-Jun-22	Moore Australia	Fraud and Corruption	16. Fraud and Corruption Incident Register and Public Interest Disclosure Register Provide a process to register all the Fraud and Corruption Incident Register to identify and respond to Fraud events and to report them to the Council/Audit Committee or Executive Leadership Team	Low	Coordinator of Major Projects, HR & Governance	There is currently no Fraud and Corruption Incident Register as no incidents of suspected Fraud have been reported.	ES-Jun-22	16-Feb-23	Overdue		200	Noted		N/A	
59	08-Jun-22	Moore Australia	Fraud and Corruption	18. Fraud and Corruption Incident Register Develop and implement as part of the overall Fraud and Corruption Control Framework a Public Interest Disclosure Register	Low	Coordinator of Major Projects, HR & Governance	There is currently no Fraud and Corruption Incident Register as no incidents of suspected Fraud have been reported.	ES-Jun-22	16-Feb-23	Overdue		200	To be considered		N/A	
60	08-Jun-22	Moore Australia	Fraud and Corruption	19. Fraud and Corruption and FOI Review Consider implementing an internal Fraud and Corruption and FOI Review Council Management, staff, suppliers, customers, contractors, volunteers, and the community to report suspected Fraud and corruption related incidents and/or allegations, including anonymous disclosure. This may be an external hotline provided by a contractor to provide an independent service and to assist with reporting.	Low	Coordinator of Major Projects, HR & Governance	Management do not see the need to have a dedicated Public Interest Disclosure hotline.	N/A	16-Feb-23	Open	WALLET	WALLET		Noted - need for future		N/A
61	08-Jun-22	Moore Australia	Fraud and Corruption	31. Complaints handling Develop and implement a Complaints Policy which includes Management, staff, contractors and volunteers.	Medium	Coordinator of Major Projects, HR & Governance	The Complaints Register is only required for complaints against elected members under s.122 of the Local Government Act 1995 and is up to date with the last complaint required to registered done in 2021. The Complaints Management Policy already make provision for council members, employee and contractors at the Shire of Coongulla.	N/A	16-Feb-23	Open	WALLET	WALLET	Complaints policy in place		In Progress	
62	08-Jun-22	Moore Australia	Fraud and Corruption	32. Complaints handling Review and revise the Complaints Management Policy to ensure it current and compliant with standards and better practice principles which include the Ombudsman of WA principles of effective complaints handling.	Medium	Coordinator of Major Projects, HR & Governance	The Complaints Register is only required for complaints against elected members under s.122 of the Local Government Act 1995 and is up to date with the last complaint required to registered done in 2021. The Complaints Management Policy already make provision for council members, employee and contractors at the Shire of Coongulla.	in accordance with the LGA Act 1995	16-Feb-23	Open	WALLET	WALLET	All policies reviewed regularly		In Progress	
63	08-Jun-22	Moore Australia	Fraud and Corruption	33. Complaints handling Implement the Complaints Register and reinforce to Council Management and staff	Medium	Coordinator of Major Projects, HR & Governance	The Complaints Register is only required for complaints against elected members under s.122 of the Local Government Act 1995 and is up to date with the last complaint required to registered done in 2021. The Complaints Management Policy already make provision for council members, employee and contractors at the Shire of Coongulla.	N/A	16-Feb-23	Open	WALLET	WALLET	Noted		In Progress	
64	08-Jun-22	Moore Australia	Fraud and Corruption	34. Disciplinary Policy and Grievance Policy Develop and implement a Disciplinary Policy and Grievance Policy for staff	Medium	Coordinator of Major Projects, HR & Governance	A grievance policy has been. Culture & Discipline Policy is going to highlight suspected fraud perpetrators.	ES-Jun-22	16-Feb-23	Overdue		200	Noted		In Progress	
65	08-Jun-22	Moore Australia	Fraud and Corruption	35. Reporting to the Executive, Audit Committee or Council Implement regular reporting of Fraud and corruption reporting to the Executive, Audit Committee, and Council on a regular basis.	Medium	CEO	Agreed that reporting for any suspected Fraud & corruption activity should be brought to the attention of the Audit Committee as soon as practicable.	As Required	16-Feb-23	Open	WALLET	WALLET	Noted		In Progress	



Shire of Coolgardie

Coolgardie Shire of Coolgardie		1. How would you like to receive this information?		Current Review Date: 15/03/23		Current Review Date: 15/03/23		Current Review Date: 15/03/23		Current Review Date: 15/03/23		Current Review Date: 15/03/23		Current Review Date: 15/03/23		Current Review Date: 15/03/23	
No.	Date of Report	Auditor	Audit Type	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Original Due Date	Revised Due Date	Review Date	Overdue Status	Days until Due	Months until Due	Days Overdue	Client Progress Update	More Australia Comment	Status after Assessment
1	2021/18	Q&S	Fixed Asset Register	The Shire's Fixed Asset Register and asset management software were not updated following management's review of the remaining useful life assumptions of the Shire's road assets during the previous financial year. As a result, depreciation calculations for road assets as presented to us were incorrect.	NONE	Deputy CEO	Implementation of month end checks for staff to verify the asset management software.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
2	2021/18	Q&S	Fair Value Accounting for Infrastructure Assets	Fair value accounting for infrastructure assets as required by AASB 13 and Local Government Financial Management Regulation 17(4) as presented to us was incorrect.	NONE	Deputy CEO	Revisable consultants to be engaged to complete fair values for all infrastructure.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
3	2021/18	Q&S	Municipal Bank Reconciliation	The Municipal bank reconciliation did not reconcile and was not picked up until it was highlighted during our year end audit.	NONE	Deputy CEO	Bank reconciliation now completed manually. Implementation of month end checks.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
4	2021/18	Q&S	Revenue Bank Reconciliation	The Bank reconciliation for the Shire's revenue account has not been completed.	NONE	Deputy CEO	Bank reconciliation now completed manually. Implementation of month end checks.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
5	2021/18	Q&S	Regional Records Facility	Joint venture's transactions in respect of the regional records facility were incorrectly accounted for within the Shire's bank including the joint venture's bank account which was incorrectly included on the Shire's balance sheet.	NONE	Deputy CEO	All transactions for Regional Records Facility now recorded separately and shown in Trust.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
6	2021/18	Q&S	Accounting Treatment for Assets	Accounting for assets, including capital and wages, and interest on borrowing, was not complete properly or at all (see after we raised queries).	NONE	Deputy CEO	Completion of month end checks and year end checks.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
7	2021/18	Q&S	Calculation of the Shire's provisions for annual leave and long service leave	Calculations of the Shire's provisions for annual leave and long service leave calculations were not completed correctly and were subsequently adjusted post audit review.	NONE	Deputy CEO	Matter raised was only minor and leave calculations continue to be calculated as per usual.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
8	2021/18	Q&S	Staffing	Comparison of financial resources and provisions.	NONE	Deputy CEO	Implementation of month end checks. Additional training for staff as required.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
9	2021/18	Q&S	Operating Surplus Ratio	The Shire's ratio after adjustment of (P&L) has slightly improved in the current year for (2022) but has been negative for the last five years.	NONE	Deputy CEO	Identify opportunities to increase revenue and reduce expenditure to a sustainable level.	Completed		18-Feb-23	Open	WALLET		WALLET		Ratio no longer a requirement under FAFS.	Management Considered Completed
10	2021/18	Q&S	Asset Sustainability Ratio	This ratio has deteriorated in the current year from 0.39 to 0.27 and has been below the Department of Local Government, Sport and Culture indicator target level of 0.40 for the last 3 years.	NONE	Deputy CEO	Continue review of infrastructure fair value, depreciation rates and the Shire's commitment to capital renewal projects.	Completed		18-Feb-23	Open	WALLET		WALLET		Ratio no longer a requirement under FAFS.	Management Considered Completed
11	2021/18	Q&S	Asset Management Ratio	Council should consider reviewing its Asset Management plan, to help the Shire manage its assets and determine the required capital renewal expenditure over the next 10 years in line with its long term Financial Plan.	NONE	Deputy CEO	Asset Management and Long Term Financial Plans to be updated in line with current financials.	Completed		18-Feb-23	Open	WALLET		WALLET		LTP updated annually.	Management Considered Completed
12	2022/19	Q&S	Operating Surplus Ratio	There is a significant adverse trend in the financial position of the Shire.	NONE	Deputy CEO	Operating revenue minus operating expenditure needed to be increased to improve the Operating Surplus Ratio. For 2022/23 the difference between operating revenue and operating expenditure was \$2,308,000. Consequently, in order to meet the standard and improve the ratio Council needs to have the following strategic conversation with the community: increase revenue generated from fees and charges; increase rates at a much higher rate than currently imposed for the next 5-10 years; increase rates revenue through rating of housing infrastructure; reduce levels of service on all operating activities. Council and management will continue to explore ways to help improve the operating position of the Shire, however this will not significantly improve the operating position without the Council having a strategic plan.	Completed		18-Feb-23	Open	WALLET		WALLET		Ratio no longer a requirement under FAFS.	Management Considered Completed
13	2022/19	Q&S	Operating Surplus Ratio	There is a significant adverse trend in the financial position of the Shire.	NONE	Deputy CEO	The difference between operating revenue and operating expenditure was \$2,699,623 (2022/23) - \$2,488,000. Consequently, in order to meet the standard and improve the ratio Council needs to have the following strategic conversation with the community: increase revenue generated from fees and charges; increase rates at a much higher rate than currently imposed for the next 5-10 years; increase rates revenue through rating of housing infrastructure; reduce levels of service on all operating activities. Council and management will continue to explore ways to help improve the operating position of the Shire.	Completed		18-Feb-23	Open	WALLET		WALLET		Ratio no longer a requirement under FAFS.	Management Considered Completed
14	2022/20	Q&S	Impact of Regulation 14 of the Local Government (Financial Management) Regulations 1996	Regulation 14 of the Local Government (Financial Management) Regulations 1996 (Regulations) did not allow a local government to recognise some categories of land, including land under roads, as assets in the financial reports.	NONE	Deputy CEO	Land under the Shire shown in the 2022/23 Annual Financial Statements was not recognised with the increased financial year in the 2022/23 Annual Financial Statements.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed
15	2022/20	Q&S	Revenue Recognition	Revenue from contracts with customers and AASB 1058 income of non-financial assets (same method for the Shire on 1 July 2020) superseding previous accounting standards. During the interim audit sampling of revenue transactions (rates, grants and fees) and charged to the correct account. - waste collection fees have not been recognised in accordance with AASB 15; - sewerage charges have not been recognised in accordance with AASB 15; and - 1 increase out of a total of 17 grant revenue transactions tested (37%) have not been recognised in accordance with the requirements of AASB 1058 in relation to capital grants. Furthermore, the impact of the application of AASB 15 and AASB 1058 had not been recognised at 1 July 2020.	High	Deputy CEO	Acknowledged that the application of AASB 15 and AASB 1058 was not recognised at 1 July and that recognition of revenue in accordance with these standards had not been followed at all times during the financial year. As this is the first full financial year the standards have been applied, it has been a learning process and all errors will be rectified to ensure revenue is recognised correctly going forward and that the position is stated correctly at 30 June 2022 in the Annual Financial Report. This matter raised in the interim Management Report was addressed at year end with the position being stated correctly as at 30 June 2022 in the Annual Financial Report.	Transaction completed and corrected for the month ending 30 June 2022.		18-Feb-23	Open	WALLET		WALLET			Not covered
16	2022/20	Q&S	Purchase Orders	Sample testing of 10 payment transactions raised no material concerns, purchase orders were not raised and another instance where a purchase order was raised after the date of the corresponding supply invoice.	Medium	Deputy CEO	All staff with delegated authority are aware that purchase orders need to be raised prior to obtaining the goods or services. This is an area that has been identified by management previously and is continually being reviewed to ensure compliance with the Shire's Procurement Policy. Training and support in the areas of governance and compliance is ongoing within the organisation and resources engaged by the Shire in these areas are available for staff to utilised at any time.	Completed		18-Feb-23	Open	WALLET		WALLET			Management Considered Completed

17	2022/23	Q&A	There is a significant adverse trend in the financial position of the Shire	The Operating Surplus Ratio has been below the industry benchmark for the past 3 years.	None	Deputy CEO	The difference between operating revenue and operating expenditure was \$4,000,000 (2022/23) - \$3,000,000 (2021/22). Consequently, in order to meet the standard and report to the Council needs to have the following strategic direction with the community: - Increase revenue generated from sporting grounds such as Barhamville, Arroyo, Shire Landfill facilities and other commercial activities like proposed village accommodation. - Increase rate revenue through significant rate increases to the community. - Increase rates in the 5 top mining accommodation villages on mining leases. - Reduce levels of service significantly on all sporting activities. In order to significantly reduce the operating cost of \$4,000,000 the Shire would have to consider something like: - Reducing the Shire's FY 23 expenditure to save \$2.0m. - Reduce all contractors, 60% needed to save \$800,000.	Completed	16-Feb-23	Open	Nil/Nil	Nil/Nil	Management Considered Completed
18	2022/23	Q&A	Purchasing Policy	Sample testing of 30 purchase made during the period 1 July 2022 to 15 March 2023, and noted 3 (10.0%) instances where there was sufficient documentation to indicate that the requisite number of quotations had been obtained and evaluated and no documentation to answer why other quotes were not sought.	High	Deputy CEO	All staff with integrated authority are aware that purchase orders need to be issued prior to obtaining the goods or services. This is an area that has been identified by management previously and is currently being reviewed for future compliance with the Shire's Procurement Policy. CEO in concert with management and responsible for the importance of adhering to the Shire's Procurement Policy, including the requirement to document other quotations (even if they are not used), but not supplied. Additional testing is to be provided to existing and future staff to reinforce the need to comply with the Shire's Procurement Policy.	Ongoing	16-Feb-23	Open	Nil/Nil	Nil/Nil	In Progress
19	2022/23	Q&A	Bank reconciliations	Bank reconciliations are an essential control in managing the accuracy and completeness of the local government's accounting records and financial statements. Bank reconciliations are also a key aspect of internal controls over cash resources. During our review of bank reconciliations, we noted that there were multiple long outstanding items, such as receipt payments not posted to the general ledger dating back to the 2018 financial year. The list of these long outstanding items was (254,048.64). These reconciling items remain outstanding to the date of this letter. We understand that the Shire is currently finalising a new software system in which reconciling items will be reviewed and cleared regularly.	Medium	Deputy CEO	Agreed that long outstanding items should not form part of the bank reconciliation. The Shire are currently in the process of implementing the new bank module (Smyth Soft) that this process is to be reviewed and reconciled outstanding items. Once this process has been completed then future bank reconciliations will ensure that all items are reconciled in a timely manner.	Ongoing	16-Feb-23	Open	Nil/Nil	Nil/Nil	In Progress
20	2022/23	Q&A	Integrity controls over cash position	Noted that Shire's unvested cash position as at 30 June 2022 was a negative balance of \$460,028. Review of the Shire's cash and cash equivalents account revealed that the Shire had accessed restricted funds to subsidise the restricted funds.	High	Deputy CEO	The negative unvested cash position was the result of the Shire effectively being in overdraft as at 30 June 2022, but at the time the Shire had not finished the overdraft facility as at 30 June 2022. This position was the result of over-funding received during the financial year which was not being expected as at 30 June 2022. Management is confident the unvested cash position can be completed as several factors are outlined in 2022/23 will not have as much of an impact in 2023/24, these being: - Increased rate and other fees to 100-130 (net cost of \$460,028 in 2022/23) and 120-150 net cost Shire around \$200k in the last 12 months. - Average by 2-4% per annum (2022/23) into 2023/24. Cash reconciliation has been implemented to provide staff and elected members with monthly updates on the Shire's current and projected cash flow position.	Ongoing	16-Feb-23	Open	Nil/Nil	Nil/Nil	In Progress

Shire of Coolgardie

Current Review Date: **10-09-23**

No.	Date of Report	Audit for	Audit Type	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Original Due Date	Revised Due Date	Review Date	Overdue Status	Days until due	Months until due	Days Overdue	Client Progress Update	Shire Australia Comment	Status after Assessment
1					Low					18-Feb-23	Open						Nil
2					Medium					18-Feb-23	Open						Not Started
3					High					18-Feb-23	Open						In Progress
4										18-Feb-23	Open						Management Condition Completed
5										18-Feb-23	Closed						Validated by Shire Australia
6										18-Feb-23	Closed						Closed by Audit Committee
7										18-Feb-23	Open						
8										18-Feb-23	Open						
9										18-Feb-23	Open						
10										18-Feb-23	Open						



Shire of Coolgardie

No	Date of Report	Author	Audit Title	Recommendation	Finding & Issue Detail	Risk Rating	Recommendation Owner	Management Comment or Update	Current Review Date		18 Feb 23		Quarter Status	Open until Date	Months until Due	Days Overdue	Client Progress Update	Matters Awaiting Comment	Status After Assessment		
									Original Due Date	Revised Due Date	Review Date	Review Date									
1	13-Apr-22	Shire Australia	Trust Funds	Trust funds are an investment of Trust Funds and are not intended to be used for the shire's operations. This is a requirement of the Local Government Act 1995 (s.104).	Any trust funds from the investment of trust funds must be paid to the person entitled to them. Trust funds established by the Shire must comply with the Local Government Act 1995 (s.104) and may be required to perform a prior approval process to ensure income and cash balances according.	Medium	Deputy CEO	The trust funds have been reviewed and the investment and asset records are up to date. The trust funds are not intended to be used for the shire's operations. The trust funds are not intended to be used for the shire's operations. The trust funds are not intended to be used for the shire's operations.	NONE		18-Feb-23	Open	WALUET						Management Considered Completed		
2	13-Apr-22	Shire Australia	Rate	Reconciliation of the subsidiary ledger to the accounting general ledger control account for the subsidiary ledger is not undertaken by a senior staff member independent of preparation. In addition, every reconciliation for the period ended 30th June 2022 was not undertaken and no investigation was carried out.	The reconciliation of the subsidiary ledger to the accounting general ledger control account is not undertaken by a senior staff member independent of preparation. The reconciliation of the subsidiary ledger to the accounting general ledger control account is not undertaken by a senior staff member independent of preparation. The reconciliation of the subsidiary ledger to the accounting general ledger control account is not undertaken by a senior staff member independent of preparation.	High	Deputy CEO	Rate reconciliation is not undertaken and duly approved. The reconciliation of the subsidiary ledger to the accounting general ledger control account is not undertaken by a senior staff member independent of preparation. The reconciliation of the subsidiary ledger to the accounting general ledger control account is not undertaken by a senior staff member independent of preparation.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
3	13-Apr-22	Shire Australia	Rate	Reconciliation of the valuation register to the valuation roll is not undertaken by a senior staff member independent of preparation.	The reconciliation of the valuation register to the valuation roll is not undertaken by a senior staff member independent of preparation. The reconciliation of the valuation register to the valuation roll is not undertaken by a senior staff member independent of preparation.	High	Deputy CEO	Review of the valuation roll is a little more complicated as only the Contract Data Officer has a sound knowledge of updating valuation rolls. Administration Coordinator has been trained to allow completion and review by staff.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
4	13-Apr-22	Shire Australia	Fee and Charge	Fee schedule review where the fee schedule is not reviewed by a senior staff member independent of preparation.	The fee schedule review where the fee schedule is not reviewed by a senior staff member independent of preparation. The fee schedule review where the fee schedule is not reviewed by a senior staff member independent of preparation.	Medium	Deputy CEO	Staff responsible for reviewing the fee schedule are not reviewed and approved by a senior staff member independent of preparation. The fee schedule review where the fee schedule is not reviewed by a senior staff member independent of preparation.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
5	13-Apr-22	Shire Australia	Purchase and Payable (Including Purchase Order)	Audit trail report for charges to the supplier is not reviewed and approved by a senior staff member independent of preparation.	The audit trail report for charges to the supplier is not reviewed and approved by a senior staff member independent of preparation. The audit trail report for charges to the supplier is not reviewed and approved by a senior staff member independent of preparation.	High	Deputy CEO	Audit trail report to be reviewed and approved prior to any payments being processed. This process has been implemented and is being rolled out during the April 2023 one week.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
6	13-Apr-22	Shire Australia	Debt Care Payment	The rate of the material items is not reviewed and approved by a senior staff member independent of preparation.	The rate of the material items is not reviewed and approved by a senior staff member independent of preparation. The rate of the material items is not reviewed and approved by a senior staff member independent of preparation.	High	Deputy CEO	More care needs to be taken when processing monthly care payments. Debt care payments to be reviewed and signed off as part of the normal monthly process.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
7	13-Apr-22	Shire Australia	Payroll	Audit trail report for charges to the employee is not reviewed and approved by a senior staff member independent of preparation.	The audit trail report for charges to the employee is not reviewed and approved by a senior staff member independent of preparation. The audit trail report for charges to the employee is not reviewed and approved by a senior staff member independent of preparation.	High	Deputy CEO	Audit trail report to be reviewed and approved prior to any payments being processed. This process has been implemented and is being rolled out during the April 2023 one week.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
8	13-Apr-22	Shire Australia	Inventory	Physical inventory reconciliation for the Shire's Inventory is not undertaken and approved by a senior staff member independent of preparation.	Physical inventory reconciliation for the Shire's Inventory is not undertaken and approved by a senior staff member independent of preparation. The physical inventory reconciliation for the Shire's Inventory is not undertaken and approved by a senior staff member independent of preparation.	Medium	Deputy CEO	Physical inventory reconciliation for the Shire's Inventory is not undertaken and approved by a senior staff member independent of preparation. The physical inventory reconciliation for the Shire's Inventory is not undertaken and approved by a senior staff member independent of preparation.	NONE		18-Feb-23	Open	WALUET							Management Considered Completed	
9	13-Apr-22	Shire Australia	Reconciliation	Reconciliation of the subsidiary ledger to the accounting general ledger control account for the subsidiary ledger is not undertaken by a senior staff member independent of preparation.	Reconciliation of the subsidiary ledger to the accounting general ledger control account for the subsidiary ledger is not undertaken by a senior staff member independent of preparation. The reconciliation of the subsidiary ledger to the accounting general ledger control account for the subsidiary ledger is not undertaken by a senior staff member independent of preparation.	Low	Deputy CEO	Reconciliation and review of reconciliation to be signed off as part of the normal monthly process.	NONE		18-Feb-23	Open	WALUET							In Progress	
10	13-Apr-22	Shire Australia	Investment	Investment portfolio is not reviewed and approved by a senior staff member independent of preparation.	Investment portfolio is not reviewed and approved by a senior staff member independent of preparation. The investment portfolio is not reviewed and approved by a senior staff member independent of preparation.	Low	Deputy CEO	Identified items endorsed by Council at the 18 Feb 2023 (Ordinary Council) meeting.	NONE		18-Feb-23	Open	WALUET								Management Considered Completed
11	13-Apr-22	Shire Australia	Financial Reporting System	Financial reporting system is not reviewed and approved by a senior staff member independent of preparation.	Financial reporting system is not reviewed and approved by a senior staff member independent of preparation. The financial reporting system is not reviewed and approved by a senior staff member independent of preparation.	Medium	Coordinator of Major Projects, HR & Governance	Level of password protection processes to be reviewed and updated as required. All staff access for Finance to be reviewed and updated as required.	NONE		18-Feb-23	Open	WALUET								Management Considered Completed



Shire of Coolgardie

WV1.3 - 5.2.3 Shire Governance - Internal Control		Current Review Date: 16 Feb 23		Current Review Date: 16 Feb 23													
No	Date of Report	Author	Audit Title	Recommendation/Issue	Risk Rating	Recommendation Owner	Management Comment in Report	Original Due Date	Revised Due Date	Review Date	Overall Status	Open until due	Months until due	Days overdue	Client Progress Update	Matrix Auditability Comment	Status After Assessment
1	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.1 Risk Management Policy Identification and assessment of risks currently not performed as structured process in accordance with Governance Framework	NONE	Coordinator of Major Projects - HR & Governance	Implementation of the Risk Management Policy is required	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
2	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.2 Risk Management Policy Identification and assessment of risks currently not performed as structured process in accordance with Governance Framework	NONE	Coordinator of Major Projects - HR & Governance	Training of staff to ensure they understand their responsibilities under the Policy is required	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
3	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.3 Risk Management Policy Identification and assessment of risks currently not performed as structured process in accordance with Governance Framework	NONE	Coordinator of Major Projects - HR & Governance	As part of the implementation of the Risk Management Policy, guidelines and standards should be developed to provide guidance and consistent approach to risk management	NONE	16-Feb-23	Open	PAULIE	PAULIE					Not Started
4	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.4 Risk Management Policy Identification and assessment of risks currently not performed as structured process in accordance with Governance Framework	NONE	Coordinator of Major Projects - HR & Governance	A review of the risk including emerging risks should be completed as the Audit & Internal Control Committee will keep abreast of any risks	NONE	16-Feb-23	Open	PAULIE	PAULIE			Existing process		In Progress
5	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.5 Governance Framework Evidence to support review of the framework in 2023 was not available. A review of the Governance Framework is to be undertaken in 2023. The Shire conducted a review in May 2022 of the Governance Framework and the Policy Manual in June 2022	NONE	Coordinator of Major Projects - HR & Governance	Procedures should be in place to ensure the Governance Framework is updated in accordance with regulatory requirements	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
6	15-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.6 Credit and Debt Policy A review of the Credit Policy is to be undertaken with the Local Government Credit and Debt Committee in October 2023 (use of Governance Credit Policy)	NONE	Deputy CEO	A review of the credit including debt management responsibilities and responsibilities procedures to be adopted and implemented	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
7	17-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.8 Business Continuity / Disaster Recovery Plan A Business Continuity / Disaster Recovery Plan is to be developed and implemented	NONE	CEO	Develop and implement a Business Continuity / Disaster Recovery Plan to ensure the Shire can continue to provide essential services during an unforeseen event	NONE	16-Feb-23	Open	PAULIE	PAULIE			RFP to be developed		In Progress
8	18-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.9 IT Security Policy A review of the IT Security Policy is to be undertaken in 2023	NONE	Coordinator of Major Projects - HR & Governance	Develop and implement an IT Security Policy and ensure it is reviewed and updated on an annual basis	NONE	16-Feb-23	Open	PAULIE	PAULIE			Not to start until 1st of March		Management Considerations Completed
9	18-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.10 User Access Control Policy A review of the User Access Control Policy is to be undertaken in 2023	NONE	Coordinator of Major Projects - HR & Governance	Procedures should be developed for system access to IT Support and that procedures to ensure IT Support is implemented in writing and available when the access is no longer required	NONE	16-Feb-23	Open	PAULIE	PAULIE			Revised regularly		Management Considerations Completed
10	18-Aug-21	Shire Australia	Risk Management Framework Governance	4.1.11 Data of Confidentiality Policy A review of the Data of Confidentiality Policy is to be undertaken in 2023	NONE	Coordinator of Major Projects - HR & Governance	As part of good governance, an annual audit of the Data of Confidentiality Policy is to be undertaken to ensure it remains up to date and effective	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
11	18-Aug-21	Shire Australia	Internal Control Environment	4.1.12 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Develop documentation for staff training procedures to ensure staff understand the purpose of the Internal Control Environment and the importance of internal controls	NONE	16-Feb-23	Open	PAULIE	PAULIE			Regularly reviewed		Management Considerations Completed
12	18-Aug-21	Shire Australia	Internal Control Environment	4.1.13 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Review internal controls to ensure they are effective and efficient and to ensure they are aligned with the Shire's strategic objectives	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
13	18-Aug-21	Shire Australia	Internal Control Environment	4.1.14 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Key controls which help ensure accuracy and integrity of financial reporting should be identified and documented	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
14	18-Aug-21	Shire Australia	Internal Control Environment	4.1.15 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
15	18-Aug-21	Shire Australia	Internal Control Environment	4.1.16 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
16	18-Aug-21	Shire Australia	Internal Control Environment	4.1.17 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
17	17-Aug-21	Shire Australia	Internal Control Environment	4.1.18 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
18	18-Aug-21	Shire Australia	Internal Control Environment	4.1.19 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
19	17-Aug-21	Shire Australia	Internal Control Environment	4.1.20 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed
20	18-Aug-21	Shire Australia	Internal Control Environment	4.1.21 Internal Control Environment A review of the Internal Control Environment is to be undertaken in 2023	NONE	Deputy CEO	Regular testing of controls should be undertaken to ensure they are effective and efficient	NONE	16-Feb-23	Open	PAULIE	PAULIE					Management Considerations Completed

6 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

6.1 Elected Members

6.2 Council Officers

7 CLOSURE OF MEETING

The Meeting closed at 2:22pm.