


9.1 Risk Dashboard Quarterly Review – February 2025	
<h1>Governance and Compliance</h1>	
 SHIRE OF <b>DOWERIN</b> TIN DOG TERRITORY	
<b>Date:</b>	25 February 2025
<b>Location:</b>	Not Applicable
<b>Responsible Officer:</b>	Manisha Barthakur, Chief Executive Officer
<b>Author:</b>	Kahli Rose, Manager of Governance and Community Services
<b>Legislation:</b>	<i>Local Government Act 1995;</i>
<b>Sharepoint Reference:</b>	Compliance/Risk Management/Reporting
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	<a href="#">Attachment 9.1A – Risk Dashboard Quarterly Report – February 2025</a>

### Purpose of Report

Executive Decision

Legislative Requirement

### Summary

This Item presents the Risk Dashboard Quarterly Report to the Audit & Risk Committee for consideration and, if satisfactory, recommendation to Council for adoption. The report highlights numerous risks that are not adequately managed and require urgent attention.

### Background

The Shire of Dowerin’s Risk Management Policy, in conjunction with the Risk Management Framework, sets out the Shire’s approach to the identification, assessment, management, and monitoring of risks.

Appropriate governance of risk management within the Shire provides:

- Transparency of decision-making;
- Clear identification of the roles and responsibilities of the risk management functions; and
- An effective governance structure to support the Risk Management Framework.

The Audit & Risk Committee has a role to play, and its responsibilities include:

- Regular review of the appropriateness and effectiveness of the Risk Management Framework;
- Supporting Council to provide effective corporate governance;
- Oversight of all matters that relate to the conduct of external audits; and
- Ensuring independence, objectivity, and autonomy in deliberations.

It is essential to monitor and review risk management practices as changing circumstances may increase or decrease risks. Regular reviews of controls and treatments ensure organisational resources are used effectively. During the quarterly reporting process, management reviews their areas to ensure ongoing mitigation of risks.

	Comment
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The Audit & Risk Committee has been requesting a full review of the Risk Dashboard since October 2023, which has now been reviewed and has identified multiple high-risk areas that require prioritised action to maintain compliance and ensure further unqualified audits.

The upcoming Regulation 17 Audit is scheduled for this year, making it critical that the Risk Dashboard is brought back into alignment as a high priority for the organisation. Staff workload is currently high, and addressing these risks effectively will require appropriate staffing levels, resourcing, and budget allocations. Without sufficient resources, it will be challenging to meet compliance obligations and improve practices.

Key high-risk areas identified include:

### Asset Management

#### Key Risks:

Failure or reduction in service of infrastructure assets due to outdated maintenance schedules and inadequate financial forecasting.

#### Actions Required:

- Full review and update of the Asset Management Plan (due January 2026, but work has not commenced).
- Immediate implementation of audit recommendations for fuel stock control (to be completed by June 2025).
- Update and enforce maintenance schedules for plant and equipment (scheduled for December 2025 but requires earlier completion).

### Business Disruption Preparedness

#### Key Risks:

Lack of comprehensive business continuity planning leaves the Shire vulnerable to prolonged service interruptions.

#### Actions Required:

- Immediate update and implementation of the IT Disaster Recovery Plan (due June 2025, but no progress made).
- A full-scale emergency management exercise must be scheduled and completed by July 2025.
- Business Continuity Plan drills to be held at least annually, with the next drill set for December 2025.

### Compliance & Governance Oversight Gaps

#### Key Risks:

Regulatory non-compliance and failure to meet statutory obligations.

#### Actions Required:

- Governance Management Framework to be fully documented and adopted by July 2025.
- Councillor Induction Manual review to be prioritised before the August 2025 deadline.
- Review and update information management systems by December 2024, with a training program introduced for all staff.

## **Environmental & Waste Management Compliance Failures**

### **Key Risks:**

Environmental compliance failures and ineffective waste management planning.

### **Actions Required:**

- Comprehensive review of wastewater reuse practices, with recommendations implemented by September 2024.
- Immediate commencement of a new Waste Management Plan (completion deadline: June 2024).
- Increased monitoring and enforcement of illegal dumping, with dedicated resources allocated.

## **Employment & Workplace Safety Gaps**

### **Key Risks:**

Inadequate HR policies, workplace safety measures, and training gaps.

### **Actions Required:**

- Workforce Plan review to commence immediately, with completion targeted for December 2025.
- Full performance review cycle to be enforced, with completion set for April 2025.
- Centralised tracking system for staff training compliance to be implemented by May 2025.

## **Cybersecurity & Data Protection Risks**

### **Key Risks:**

Increased risk of cyberattacks, data breaches, and inadequate IT security measures.

### **Actions Required:**

- Implementation of multi-factor authentication across all systems (by September 2025).
- Comprehensive review and update of IT security policies and procedures (by July 2025).
- Regular cybersecurity awareness training for all staff (to commence immediately and be held quarterly).

## **Financial Management & Budget Oversight**

### **Key Risks:**

Risk of financial mismanagement due to inadequate budget forecasting and delayed reporting.

### **Actions Required:**

- Strengthening internal financial controls and budget tracking mechanisms (by December 2025).
- Ensuring all financial reports are reviewed and audited quarterly (ongoing).
- Conducting a comprehensive review of grant management and expenditure tracking (by October 2025).

## **Community Engagement & Reputation Management**

### **Key Risks:**

Lack of proactive communication leading to reputational damage and community dissatisfaction.

### **Actions Required:**

- Development of a structured community engagement plan (by August 2025).
- Ensuring timely and transparent responses to community concerns (ongoing).
- Creation of a crisis communication strategy to handle potential public relations risks (by September 2025).

## **Emergency Response & Disaster Management**

### **Key Risks:**

Inadequate preparation for bushfires, floods, or other emergencies.

### **Actions Required:**

- Full review and testing of emergency response plans (by November 2025).
- Ensuring all staff and key stakeholders are trained in emergency response procedures (ongoing).
- Updating firebreak and hazard reduction plans in alignment with current climate risk assessments (by May 2025).

## **Contract & Procurement Risks**

### **Key Risks:**

Poor contract management, lack of planning, and inadequate vendor monitoring.

### **Actions Required:**

- Develop a centralised contract management system (by September 2025).
- Conduct regular audits on vendor sustainability and contract compliance (ongoing).
- Review procurement policies to ensure best value and compliance (by December 2025)

## **Workplace Safety & Security**

### **Key Risks:**

Non-compliance with occupational safety laws, lack of emergency preparedness, and staff safety concerns.

### **Actions Required:**

- Implement an isolated worker management procedure (by December 2025).
- Conduct monthly workplace safety inspections (ongoing).
- Continue the development and regular meetings of the Workplace Safety & Health (WSH) Committee (next scheduled April 2025).

## **IT & Cybersecurity Failures**

### **Key Risks:**

Outdated IT infrastructure, poor cybersecurity controls, and risk of data breaches.

### **Actions Required:**

- Implement an IT disaster recovery plan (by June 2025).
- Enforce multi-factor authentication across all systems (by September 2025).
- Upgrade IT infrastructure replacement program (by December 2025).

## **Misconduct & Ethical Risks**

### **Key Risks:**

Potential breaches of the Code of Conduct, lack of internal controls, and insufficient enforcement of policies.

### **Actions Required:**

- Review and strengthen delegation authority processes (by July 2025).
- Improve compliance with financial management policies (by December 2025).
- Conduct regular staff training on ethical responsibilities (ongoing).

### **Project & Change Management Risks**

#### **Key Risks:**

Failure to properly plan and execute strategic projects, leading to delays and cost overruns.

#### **Actions Required:**

- Develop a project management methodology and framework (by August 2025).
- Conduct a formal review of change management processes (by December 2025).
- Improve tracking and reporting on project progress (ongoing).

### **Governance & Compliance Failures**

#### **Key Risks:**

Ineffective regulatory oversight, lack of legal compliance, and governance gaps.

#### **Actions Required:**

- Complete a full review of the Governance Management Framework (by July 2025).
- Implement a training program for councillors and staff on compliance obligations (ongoing).
- Improve the tracking of regulatory changes and statutory requirements (by October 2025).

### **Community Engagement & Reputation Management**

#### **Key Risks:**

Poor communication with the public, lack of community involvement, and reputational damage.

#### **Actions Required:**

- Develop a structured Community Engagement Policy and Framework (by December 2025).
- Improve customer service response processes (ongoing).
- Report to Council on the results of the Community Satisfaction Survey (by April 2025).

### **Document & Information Management Risks**

#### **Key Risks:**

Poor record-keeping, outdated documentation, and compliance risks related to data retention.

#### **Actions Required:**

- Review and update the Record-Keeping Plan (by December 2025).
- Improve digital record management through SharePoint system enhancements (by June 2025).
- Implement staff training for proper document handling and retention (ongoing).

#### **Consultation**

Manisha Barthakur, Chief Executive Officer

Kahli Rose, Manager of Governance and Community Services

Ben Forbes, Manager of Infrastructure and Projects

Solomon Mwale, Manager of Corporate Services

#### **Policy Implications**

Council Policy 2.2 – Risk Management Policy

## Strategic Implications

### Strategic Community Plan

Community Priority: Our Organisation

Objective: We are recognised as a transparent, well governed, and effectively managed Local Government.

Outcome: 5.3

Reference: 5.3.2

### Asset Management Plan

Nil

### Long Term Financial Plan

Nil

## Statutory Implications

The *Local Government Act 1995* and Regulations 16 and 17 of the *Local Government (Audit) Regulations* are applicable.

## Risk Implications

<b>Risk Profiling Theme</b>	Failure to fulfil statutory regulations or compliance requirements
<b>Risk Category</b>	Compliance
<b>Risk Description</b>	Short term non-compliance but with significant regulatory requirements imposed
<b>Consequence Rating</b>	Moderate (3)
<b>Likelihood Rating</b>	Possible (3)
<b>Risk Matrix Rating</b>	Moderate (6)
<b>Key Controls (in place)</b>	Governance Management Framework
<b>Action (Treatment)</b>	Document Governance Management Framework
<b>Risk Rating (after treatment)</b>	Effective

### Financial Implications

Many of the required risk management actions will necessitate additional resourcing beyond the current budget allocation. Adequate funding and staffing support are essential to ensuring compliance and risk mitigation.

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation - 9.1

That, in accordance with Regulations 16 and 17 of the Local Government (Audit) Regulations 1996, the Audit and Risk Committee:

1. Receives the Risk Dashboard Quarterly Report - February 2025, as presented in Attachment 7.1A, detailing significant risks and required mitigation actions; and
2. Recommends to Council that it adopts the Risk Dashboard Quarterly Report - February 2025, with immediate prioritisation of outstanding high-risk items and sufficient allocation of resources and budget to address them effectively.