Audit, Risk and Governance Committee Meeting

Agenda

Monday, 27 November 2023
[rescheduled from 6 November 2023]
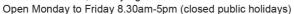**5:30pm**

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Dear Committee Member

An Audit, Risk and Governance Committee Meeting of the Shire of Serpentine Jarrahdale will be held on Monday, 27 November 2023 in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong – commencing at 5:30pm.

Paul Martin

Chief Executive Officer

17 November 2023

Agenda

1. **Attendances and apologies (including leave of absence):**

2. **Public Questions:**

3. **Deputations:**

4. **Declaration of Committee Members and Officers interest:**

5. **Receipt of minutes or reports and consideration of adoption of recommendations from Committee meetings held since the previous Council meetings:**

   5.1 **Minutes of previous Audit, Risk and Governance Committee Meetings:**

   5.1.1 **– Audit, Risk and Governance Committee Meeting – 28 August 2023**

   That the minutes of the Audit, Risk and Governance Committee Meeting held on 28 August 2023 be CONFIRMED (E23/11381).

6. Reports for consideration:

6.1 – Strategic Risk Register Quarterly Review Report – November 2023 (SJ2881)	
Responsible Officer:	Manager Governance and Strategy
Senior Officer:	Director Corporate Services
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the *Local Government Act 1995*.

Authority / Discretion

Information	For the Council / Committee to note.
Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.

Report Purpose

The purpose of this report is to provide the Audit, Risk and Governance Committee (the Committee) an overview of the quarterly review undertaken on the Shire's Strategic Risk Register and provide the Committee with the updated Strategic Risk Register for recommendation to Council for endorsement.

Relevant Previous Decisions of Council

*Ordinary Council Meeting – 18 September 2023 – OCM223/09/23 - COUNCIL RESOLUTION / Officer Recommendation - **extract***

That Council:

4. ADOPTS Audit, Risk and Governance Committee Resolution ARG018/08/23 and:

1. NOTES the Strategic Risk Register Review as contained within this paper.

2. ENDORSES the updated Strategic Risk Register as contained within attachment 1.

*Ordinary Council Meeting – 18 September 2023 – OCM223/09/23 - COUNCIL RESOLUTION / Officer Recommendation - **extract***

That Council:

2. ADOPTS Audit, Risk and Governance Committee Resolution ARG016/08/23 and:

1. RECEIVES the ICT General Controls Audit Report contained in CONFIDENTIAL attachment 1;

2. NOTES the Management Comment as the response provided in this report, including action that will be implemented subject to provision of funding;

3. REQUESTS that the Chief Executive Officer present a report to Council considering additional actions.

> 4. *REQUESTS that the Chief Executive Officer review if the ICT department is adequately staffed and resourced to implement the findings of the audit.*
>
> 5. *NOTES that the results of the ICT Audit highlight a need for additional resources to ensure that the Shire's ICT services provide a secure environment.*
>
> 6. *REQUESTS that the Strategic Risk Register be updated to include the risks, actions and controls from this audit.*

Background

Risk Management is a framework of culture, processes and structures directed towards the effective management of risk. This includes consideration of both potential opportunities and adverse effects on existing operations. As all actions and transactions involve risk, effective Risk Management involves the anticipating, understanding and monitoring of risk. It contributes to good corporate governance by providing reasonable assurance to Council, Executive Management and the community that the organisational objectives will be achieved within a tolerable degree of residual risk.

In September 2020, Council, on recommendation from the Committee, endorsed the Shire's new Strategic Risk Register and approved the revised Council Policy Risk Management (OCM281/09/20). These are important achievements towards improving the risk management processes at the Shire as they provide a mechanism for Shire executives to manage risk at a strategic level and an avenue for the Committee and Council to monitor strategic risk through quarterly reporting.

Community / Stakeholder Consultation

N/A

Statutory Environment

Regulation 17 of the *Local Government (Audit) Regulations 1996* (WA) ('the Regulations') require the CEO to review the appropriateness and effectiveness of the Shire's systems and processes in relation risk management, internal control and legislative compliance (r. 17(1)). The review may include any or all of the abovementioned matters (r. 17(2)) and the results of any review must be reported to the Shire's Audit, Risk and Governance Committee (r. 17(3)). Each matter must be the subject of a review not less than once in every 3 financial years (r. 17(2)).

The most recent review of risk management was completed by the Shire in the 2021-22 financial year and considered by the Committee at its February 2022 meeting. The next review is due no later than 30 June 2025.

Comment

Strategic Risk Register Quarterly Review – November 2023

In accordance with Council Policy Risk Management, the Executive Management Group reviewed the Strategic Risk Register. Following this, Officers have prepared the following quarterly report for the Committee's noting. Committee members and Councillors agreed to the structure of this report at the Strategic Workshop held 4 November 2020.

Strategic Risk Register

Quarterly Review – November 2023

1. Risk Rating Reviews

- Risk 4 (Organisational Capacity) – With the action *Finalisation of scheme no.3* now complete and no further risk mitigation strategies to action, the risk rating for the risk of *'insufficient organisational capability to support the Shire's growth'*, has been reassessed accordingly. Reassessment deemed the level of risk to remain as MODERATE, based on a consequence rating of moderate and likelihood rating of unlikely, in consideration of the rapid rate of growth experienced in the Shire.

- Risk 14 (Emergency Management) – With completion of the action to *Develop a Vulnerable Communities Plan as part of the Local Emergency Management Arrangements* (detailed below under 'Actions complete and moved to controls' – Action 8)*, the risk rating for the risk of *'failure to effectively respond and manage emergencies'* has been reassessed accordingly. Reassessment deemed the level of risk to be lowered to MODERATE (was SIGNIFICANT), based on a consequence rating of MODERATE (unchanged) and likelihood rating of POSSIBLE (was LIKELY). Amendment of the likelihood rating is based on the Shire's response to and management of emergency situations in recent years.

2. New and Emerging Risks

- Risk 17 (ICT Internal Control) – A new risk of *'inadequate policies, procedures and activities to ensure the confidentiality, integrity and availability of the Shire's ICT systems and data'* has been added to the register, as resolved by Council to include the risks, actions and controls from the ICT General Controls Audit Report 2023 (OCM223/09/23). Further detail is provided below in New Actions – Risk 17 (ICT Internal Control) – Action 1, and as contained in **attachment 1**.

3. Updates to Risk Mitigation Strategies

Actions complete and moved to controls

Risk 1 (Culture)

- Action 3 – *Review the organisational vision and values* is complete and a new action to *implement the organisational vision and values* added, as the next stage of the project (see 'New Actions' – Risk 1).

Risk 4 (Organisational Capacity)

- Action 1 – *Finalisation of scheme no. 3* is complete, and Control 1 updated to *'Local Planning Strategy approved June 2021 and Local Planning Scheme No. 3 approved by Minister in May 2023 and gazetted on 22 September 2023*. Additionally, a risk rating review has been undertaken (see section of report titled 'Risk Rating Reviews - Risk 4).

Risk 5 (Organisational Efficiency)

- Action 6 – *Undertake the consolidation phase of OneComm* is complete as noted by Council at the October Ordinary Council Meeting (OCM260/10/23). The focus of this phase was to further enhance OneComm modules already delivered and noted as controls.

Risk 9 (Partnerships / alliances)

- Action 2 – *As part of the Major Strategic Review, canvas the community's view in building greater alliances north and west of the metro area* is complete. As identified in the Community Engagement Outcomes Report, presented to Council at the June 2023 Ordinary Council Meeting (OCM151/06/23), when asked to select which income options participants would support Council exploring further, 45% (n242) of participants supported partnering with other Shires to share some services and/or activities. This ranked second, with the most preferred option being to keep rates stable but redistribute how funds are spent between activities and services, which 66% (n360) of participants supported.

  It is recognised that as a high growth area on the urban fringe with a mix of residential and rural communities, the issues Serpentine Jarrahdale face are not the same as issues being faced by most other local governments across the State or country. To support the Shire's alignment and networking with other high growth local governments with shared interests and issues, at the September Ordinary Council Meeting, Council resolved to become a member of the National Growth Areas Alliance for a three-year period (OCM242/09/23), and this membership has been added as Control 8.

Risk 14 (Emergency Management)

- Action 8 – *Develop a Vulnerable Communities Plan as part of the Local Emergency Management Arrangements* is complete, as adopted by Council at the October Ordinary Council Meeting (OCM264/10/23). Control 3 has been updated to reflect this, and a risk rating review has been undertaken (as detailed in 'Changes to Risk Ratings' – Risk 14).

Risk 15 (Worker Work Health and Safety)

- Action 10 – *Implementation of agreed high risk actions related to Bushfire Brigades (ARG009/02/22)* is complete and added as Control 15.

Actions amended

Risk 2 (Organisational Workforce)

- Action 2 – *Develop an Employee Value Proposition* target date amended to 31 January 2024 (was 30 September 2023) due to conflicting priorities for the People, Development and Wellbeing business unit.

Risk 5 (Organisational Efficiency)

- Action 5 – *Implement Enterprise Content Management,* with target date 31 December 2024, updated to *Implement OneComm Phase 3* and the target date amended to 31 July 2025. Enterprise Content Management is only one (1) module from a total of fourteen (14) milestones agreed for implementation to complete OneComm Phase 3. These amendments now align with the scope and phased implementation strategy of

OneComm Phase 3, as agreed by Council at the October Ordinary Council Meeting (OCM261/10/23).

Risk 6 (Bush Fire Management)

- Action 15 – *Update / improve asset data for drains to inform maintenance schedules* updated to 'In Progress' (was 'Not Started).

- Action 16 - *Review the level of service as it pertains to open drains and roadside verges with Council* target date amended to 30 June 2025 (was 30 September 2024). Improvement to asset data for drains is in progress for delivery by 30 June 2024. Once complete, work to set the level of service for open drains and roadside verges can then commence, based on the latest data.

- Action 17 – *Review and improve maintenance schedules for open drains based on improved data* updated to 'In Progress' (was 'Not Started) and the action description updated to reflect development of a baseline maintenance schedule for open drains is underway.

- Action 20 – *Implement an opt in text message system for the Shire of Serpentine Jarrahdale for days of Total Fire Bans and/or Vehicle and Harvest Movement Bans (subject to 2023-24 budget approval)* updated to 'In Progress' (was 'Not Started) and *(subject to 2023-24 budget approval)* deleted from action description.

Risk 7 (Environmental Sustainability)

- Action 9 – *In relation to bauxite mining within the State forest surrounds of Jarrahdale, respond to environmental impact assessment once released for public comment* target date amended to 31 March 2024 (was 30 September 2023). The environmental impact assessment has not yet been released for public comment and a clear date for the public engagement process remains unknown. Officers are ready to engage, once released.

Risk 12 (Desirable place - Economy)

- Action 7 – *Heritage Park Business Case* target date amended to 31 March 2024 (was 30 September 2023). A draft Heritage Park Business Case was presented to Council at a Policy Concept Forum in September 2023, to inform Council decision making regarding the feasibility of entering a lease of the site with the National Trust of WA. Officers identified the next actions to further support the process is development of a business plan and subsequent community consultation. The development of a Business Plan is now underway, and following community consultation, a report to Council will be presented at a future meeting to include submissions received from consultation, and Heritage Park Business Plan and Business Case, for consideration.

Risk 15 (Worker Work Health and Safety)

- Action 6 – *Undertake an internal WHS audit on the Safety Management System* updated to 'In Progress' (was 'Not Started).

New actions

Risk 1 (Culture)

- Action 5 – *Implement the organisational vision and values* added, with a target date of 31 December 2023.

Risk 17 (ICT Internal Control)

- Action 1 – *Implement the management actions from the ICT General Controls Audit Report 2023 (ARG016/08/23)*, added (due 30 September 2024). All ICT General

Control areas subject to audit are summarised as 'controls', with one resulting mitigation action to deliver on the management actions as detailed within confidential agenda item 6.1 of the 28 August 2023 Committee meeting. The target date of 30 September 2024 correlates to the latest delivery timeframe specified within this report. Progress on the implementation of agreed actions of audits conducted are reported quarterly to the Committee. An update on the management actions of the ICT General Controls Audit Report 2023 is included in this agenda paper at item 6.2.

Risk 16 (Capital Projects)

- Action 4 – *Implement Investment Prioritisation and Optimisation* added (due 31 January 2025). This mitigation action is a module of the OneComm Phase 3 implementation and once implemented, will be a key control to prioritise the delivery of capital projects within budget.

4. Other

Risk 16 (Capital Projects)

- Risk Owner updated to Director Corporate Services (was CEO), to best align with organisational structure. The Office of Project and Contract Management lies within the Corporate Services directorate and reports to the Director of Corporate Services. Review by the new risk owner identified the addition of a new action to the Register: '*Implement investment prioritisation and optimisation*' (as detailed in 'New Actions' – Risk 16).

The updated Strategic Risk Register incorporating the amendments from the above review is contained within **attachment 1.**

Supplementary Commentary

The following accompanying information to the Executive risk review this quarter is provided to the Committee for noting. The purpose of providing this information is to remain transparent about known issues that may impact strategic risk in future reporting periods.

- The Executive have identified that the due date on action 10 of risk 2 (*Depot Accommodation Upgrades*) is at risk and may require an extension next reporting period. The project is complete and temporary occupancy issued. Some items are outstanding for permanent occupancy (universal access) which require cost consideration and may impact the delivery date. These aspects are currently being managed in accordance with the Shire's Project Management Framework.

- Additionally, the Executive have identified that the due date of action 3 on risk 13 (*Byford Skate Park (Construction of Stage 2)*) is at risk and may require an extension next reporting period. The Department of Water and Environmental Regulation (DWER) has requested further information regarding the clearing permit application and Officers are working with the Department to address and resolve the criteria for their issue of the clearing permit, so construction can proceed. An extension may be required pending progress of negotiations with DWER and will be managed in accordance with the Project Management Framework.

- Action 14 of Risk 6 (Bushfire Management) - *Prepare the 5-year Reserve (Natural Area Reserves) management plan for Council consideration* is at risk and will require an extension next reporting period. As previously reported, this extension is in consideration of the chronological work and research required, with limited resources, to develop a 5-year Reserve (Natural Area Reserves) management plan.

A major review of the Corporate Business Plan is currently underway which will result in a refreshed 4-year delivery plan, following a process of consultation across the organisation to integrate and prioritise the Shire's key deliverables and future initiatives, in alignment with the community's vision, and balanced against organisational capacity. Further insight on the prioritisation and resulting indicative delivery timeframe for this project will be considered through this process, and an update will be provided to the Committee accordingly.

- The Executive are monitoring strategic risk associated with the closure of the Waste Transfer Station. As noted by Council at the October Ordinary Council Meeting (OCM268/10/23), the closure is being managed in accordance with the Shire's Business Continuity Plan, a Crisis Management Team has been assembled, and a Crisis Communications Plan has been implemented to keep stakeholders informed. Short term solutions for the provision of bulk green waste and hard waste services are underway and the response and management of the emergency to date has been successfully handled in accordance with existing framework. A detailed report following investigation of the site and options for the future will be presented at a future meeting of Council. The Executive will reassess the reputational, financial and organisational performance strategic risk based on the detailed findings, and an update will be provided to the Committee in a future report.

Options and Implications

Option 1

That the Audit, Risk and Governance Committee RECOMMENDS that Council:

1. NOTES the Strategic Risk Register Review as contained within this paper.

2. ENDORSES the updated Strategic Risk Register as contained within **attachment 1**.

Option 2

That the Audit, Risk and Governance Committee RECOMMENDS that Council:

1. DOES NOT NOTE the Strategic Risk Register Review as contained within this paper.

2. DOES NOT ENDORSE the updated Strategic Risk Register as contained within **attachment 1**.

Option 3

That the Audit, Risk and Governance Committee RECOMMENDS that Council:

1. NOTES the Strategic Risk Register Review as contained within this paper.

2. REQUESTS that the Chief Executive Officer make revisions as specified by the Committee to the Strategic Risk Register.

Option 1 is recommended.

Conclusion

This reporting period, a summary of progress towards mitigation includes the completion of six actions resulting in four new or updated controls, and four actions previously not started are now in progress. Target dates for three actions have been amended due to resource capacity, action interdependency, and external delays. One action has been extended in accordance with Council resolution and a fifth action extended based on the requirement for a further supporting plan and community consultation.

The review this quarter also includes the addition of two new mitigation actions, the addition of a new risk as requested by the Committee, and the review of two risk ratings.

A major review of the Corporate Business Plan commenced this quarter, and Officers have engaged a consultant to assist with the amalgamation and prioritisation of the Shire's key deliverables and initiatives. This process will incorporate the actions from the Strategic Risk Register, as well as the actions and recommendations from the report titled 'Review of Operations, and Waste, Fleet and Facilities Business Units' (including Depot and Waste Transfer Station).

During quarter two, the Corporate Business Plan review will focus on the prioritisation of actions to develop a 4-year delivery plan, in consideration of the community's needs and vision, organisational capacity and resourcing, and to inform the Shire's annual Integrated Planning and Reporting process in future years. The outcome of this work may result in some mitigation actions requiring extension or amendment, as this review process evolves and once a draft 2024-2028 Corporate Business Plan is considered by Council in readiness for the 2024-25 annual budget and long-term financial planning. The Committee will be kept informed on progress of this review and any foreseeable impacts as they arise, via the Strategic Risk Register quarterly report.

The ongoing reporting and monitoring of Strategic Risk provides assurance to the Committee and Council that the register is being monitored and mitigation actions are underway. It is also a key tool in supporting the Committee's and Council's responsibilities pertaining to risk management.

Attachments (available under separate cover)

- **6.1 - attachment 1** – Strategic Risk Register (E20/8711)

- **6.1 – attachment 2** - Strategic Risk Register – Tracked Changes (E23/15312)

Alignment with our Strategic Community Plan

Outcome 4.1	A resilient, efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources
Outcome 4.2	A strategically focused Council
Strategy 4.2.2	Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions
Strategy 4.2.3	Provide clear strategic direction to the administration

Financial Implications

There are no financial implications associated with this report. The recommendation of additional or amended risks or controls by the Committee may be financial implications for Council to consider.

Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no significant risks associated with this option.						
2	If the Committee recommend Council DO NOT note this report or endorse the updated register without reason, then there is a risk the committee will be seen as non-compliant with its responsibility to monitor risk and support Council. This could lead to impacts on organisational performance as specialist input is not obtained.	Nil	Organisational Performance	Rare	Insignificant	LOW	Nil
3	If the Committee recommends revision to the register, these may not be informed by sufficient operational information.	Nil	Organisational Performance	Rare	Insignificant	LOW	Nil

Voting Requirements: Simple Majority

Officer Recommendation

That the Audit, Risk and Governance Committee RECOMMENDS that Council:

1. **NOTES the Strategic Risk Register Review as contained within this paper.**

2. **ENDORSES the updated Strategic Risk Register as contained within attachment 1.**

Please note that the Audit, Risk and Governance Committee does not have delegated authority to make decisions. All recommendations of the Audit, Risk and Governance Committee are presented to Council for ratification.

6.2 - Update on Internal Audit Program – November 2023 (SJ2895)	
Responsible Officer:	Manager Governance and Strategy
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the *Local Government Act 1995*.

Authority / Discretion

Information	For the Council / Committee to note.

Report Purpose

The purpose of this report is to enable the Committee and Council to:

- receive an update on implementation of agreed actions to audits previously conducted; and

- receive an update on the 2023-24 Audit Program.

Relevant Previous Decisions of Council

*Ordinary Council Meeting – 19 September 2022 – OCM205/02/22 - COUNCIL RESOLUTION / Officer Recommendation - **extract***

2. ADOPTS Audit, Risk and Governance Committee Resolution ARG018/08/22 and ENDORSES the provision of audit services via external contractor; REQUESTS the Chief Executive Officer engage the services of an external contractor as required; ENDORSES the Audit Program 2022-2026 as shown in Table 1

Background

In August 2022, the Audit, Risk and Governance Committee recommended to Council that the Shire conduct an audit program through the services of external consultants. The timetable for the 2023-24 audits is as follows:

Committee Meeting	Audit/review to be presented
November 2023	Nil
February 2024	Asset Management Compliance Audit Return
May 2024	Project Management Framework Policy Health and Safety Management System audit Firebreak Inspections

As noted at the August 2023, Committee meeting the Firebreak Inspections audit which was proposed to be presented in November 2023 has been delayed owing to the inability to locate a suitable provider to provide the review/audit in time for the 2023-24 fire season.

Community / Stakeholder Consultation

Nil.

Statutory Environment

Nil.

Comment

Implementation of agreed responses to audits previously conducted.

Audit / Review	Abernethy Road Inquiry
Status	Complete (ARG Committee May 2022) –
Actions	Ongoing

Progress on the Abernethy Road Inquiry recommendations continued through the implementation and embedding of the Shire's Project Management Framework, implementation of the Contract Management OneComm module and enhancements to procurement, including review of the Shire's procurement policy.

In respect to the embedding of the Project Management Framework, continued implementation and facilitation of the new initiatives and processes reported on at the last Committee meeting continues (i.e. Project Board, risk management, change control, governance, stage gates, reporting and utilisation of the PLM module). On analysis of the next steps to further enhance the Shire's approach to project management, it is evident that to further implement improvements, additional resources will be required. As such, at the November Ordinary Council Meeting, Council will consider an additional resource of 1 FTE towards the Project Management Office function. If approved, this will support the following improvements:

- The development of a project complexity classification matrix to determine the application of the project management framework.

- A training program for staff.

- Implementation of Investment Prioritisation Optimisation (IPO) in OneComm.

- A quality management approach.

In relation to the Contract Management module, testing of the module has been completed with the role out to occur this month, per the implementation table below:

Readiness activity	13-17 NOV	20-24 NOV	27-30 NOV	5 DEC	6 DEC	7 DEC	12 DEC	13 DEC	14 DEC
PROD configuration set-up & checks	▪▪▪▪▪	▪▪▪▪▪	◆						
PROD contracts loaded	▪▪▪▪▪	▪▪▪▪▪	◆						
PROD LIVE				◆					
Contract Owner training				✓		✓		✓	
Contract Sponsor training				✓		✓			✓
Contract Admin training				✓		✓			✓
Contract Team training (Sponsor/Owner/Admin)									

In relation to enhancements to procurement, the Shire has put in place a number of improvements since the last update, including the presentation of tenders related to electrical services, plumbing services, building maintenance and irrigation, pipe, sprinklers and fittings. These tenders are consistent with the findings of the review into operations conducted by the Glenn Flood Group and support better adherence to the Shire's procurement policies and value for money principles.

In addition, the Shire has progressed a series of Service Level Agreements which enable more efficient purchasing up to the total value of $75,000 following a competitive procurement process. These Service Level Agreements have been established for services such as shade sails, playground sand, gutter cleaning services, glazing services and kitchen exhaust cleaning services. The review of the Shire's procurement policy will be presented to the new Council at a Policy Concept Forum prior to public advertising.

Audit / Review	ICT General Controls Audit
Status	Complete (Presented to ARG Committee August 2023)
Actions	Ongoing

Implementation of the agreed actions following the ICT General Controls Audit is progressing according to schedule. The recent resignation of the Shire's ICT Manager may constrain progress in the next quarter, but Officers are confident that effective business processes and documentation will result in a smooth transition. A breakdown of the progress against each of the agreed actions is provided in **CONFIDENTIAL attachment 1**.

Update on the remainder of the 2023-24 Audit Program

Audit / Review   Asset Management

Status   In Progress and On track.

Australian Audit was contracted to commence the audit in October 2023. The Auditor has met with the relevant business unit and the audit is on track for presentation to the first meeting of the Audit Committee in 2024.

Audit / Review   Health and Safety Management System audit

Status   Commenced.

A procurement process is underway to select the auditor to conduct the Health and Safety System audit. Expressions of interest have been received and the audit is on track for presentation at the May 2024 meeting.

Audit / Review   Compliance Audit Return

Status   Not commenced. On track for presentation in February 2024.

A competitive procurement process will be conducted in December 2023.

Audit / Review   Project Management Framework Policy

Status   Not commenced. On track for presentation in May 2024. Scope to be defined in January 2024

A competitive procurement process will be conducted in February 2024.

Audit / Review   Firebreak Inspections

Status   At risk.

After a suitable independent person to conduct the audit was not able to be obtained prior to the commencement of the 2023-24 fire season, this audit has been delayed. Options will be re-examined following the conclusion of the 2023-24 fire season.

Options and Implications

Option 1

That the Audit, Risk and Governance Committee RECOMMENDS that Council NOTES the update regarding the implementation of agreed actions to audits previously conducted and update on the 2023-24 Audit Program as described in this report.

Option 2

That the Audit, Risk and Governance Committee RECOMMENDS that Council AMENDS the 2023-24 Audit Program as follows: _____

Option 1 is recommended.

Conclusion

The implementation of previous audit activities as well as the 2023-24 audit program is progressing well with the exception of the firebreaks audit which has been delayed until after the 2023-24 fire season.

Attachments (available under separate cover)

- **6.2 – CONFIDENTIAL attachment 1** – Update on progress of actions following ICT General Controls Audit (E23/13585)

Alignment with our Strategic Community Plan

Outcome 4.2	A strategically focused Council
Strategy 4.2.3	Provide clear strategic direction to the administration

Financial Implications

Nil.

Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no significant risks associated with this option.						
2	The revisions may not be aligned to available resources		Organisational Performance	Possible	Moderate	MODERATE	

Voting Requirements: Simple Majority

Officer Recommendation

That the Audit, Risk and Governance Committee RECOMMENDS that Council NOTES the update regarding the implementation of agreed actions to audits previously conducted and update on the 2023-24 Audit Program as described in this report.

Please note that the Audit, Risk and Governance Committee does not have delegated authority to make decisions. All recommendations of the Audit, Risk and Governance Committee are presented to Council for ratification.

7. **Motions of which notice has been given:**

8. **Urgent business:**

9. **Closure:**