AUDIT AND BUSINESS IMPROVEMENT COMMITTEE MEETING

AGENDA

20 MARCH 2015

Your attendance is required at a meeting of the Audit and Business Improvement Committee to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 20 March 2015 commencing at 10:00am for transaction of the enclosed business.

CHIEF EXECUTIVE OFFICER
12 March 2015

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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1 OPENING

2 PRESENT

Members Present:

The Mayor, Councillor M F Strelow (Chairperson)
Councillor C E Smith
Professor D Low
Mr A MacLeod
Mr M Parkinson

In Attendance:

Mr E Pardon – Chief Executive Officer
Mr J Wallace – Chief Audit Executive

3 APOLOGIES AND LEAVE OF ABSENCE

4 CONFIRMATION OF MINUTES

Minutes of the Audit and Business Improvement Committee held 10 September 2014

5 DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

6   BUSINESS OUTSTANDING

Nil

7 PUBLIC FORUMS/DEPUTATIONS

Nil

8   OFFICERS' REPORTS

8.1   SAFEPLAN AUDIT CONDUCTED BY LGW

File No:	**5207**
Attachments:	**Nil**
Authorising Officer:	**Tracy Sweeney - Manager Workforce and Strategy**
	Ross Cheesman - General Manager Corporate Services
Author:	**Tony Hauenschild - Coordinator Safety and Training**

SUMMARY

Presentation of results from the External Safeplan2 Audit that was conducted in 2014 by Local Government Workcare.

OFFICER'S RECOMMENDATION

THAT the report on External Safeplan2 Audit be received.

BACKGROUND

The purpose of this audit was to assess the effectiveness of Council's Workplace Health and Safety Management System, Safeplan2, and to provide a performance benchmark indicator.

The audit was conducted between 10 November and 14 November 2014 and assessed Council's level of compliance against an industry benchmark which is set at 70%. A positive result for Council was achieved with a final score of 76.1% compliance rate, which confirms Council's Safety Management System is meeting national requirements.

In comparison to the October 2011 Safety Audit where an overall score of 45.7% was achieved, it is clear that Council's overall position with safety compliance is now in a much stronger position.

Findings from the Safety Audit in 2011 primarily reflected the poor implementation of the system and the lack of evaluation and monitoring to ensure its effectiveness and continuous improvement. This audit result indicated a vast improvement in these areas.

The auditor also believed it was clearly evident that Council's Safety Management System is now "well on its way to meeting the National Audit criteria". Audits of WHS management systems are undertaken by auditors using the five major components as outlined in the 'National Self Insurer OHS Audit Tool 2010:

1.   Health and Safety Policy

2.   Planning

3.   Implementation

4.   Measurement and Evaluation

5.   Management Review

Forty-six (46) corrective actions and improvements were identified during the audit process and a rectification action plan has been compiled for implementation across Council. Work is well underway on working through the required improvements.

Local Government Workcare will return in April/May to conduct a surveillance audit focusing on the field staff. This is to gain an understanding of their level of knowledge regarding Safety and identify any areas that may require improvement and if needed provide additional support.

Future full system audits will be conducted 3 yearly (2017 external auditor) and annual internal desktop audits in 2015 and 2016.

Riskware, which is Council's new WHS Data Management System will further support the implementation of Safeplan. Riskware is an easy to use web based system which will allow Council to manage and analyse our current safety risks, and also provide real time trend analysis and performance reporting in regards to Safety and allow resources to be placed in those that require improvement.

CONCLUSION

The report provides a summary of the outcome of the recent safety audit undertaken by Local Government Workcare where Council achieved a result above the industry benchmark. Management is committed to the full implementation of the Safeplan system through the Workplace Health and Safety Management System Plan.

8.2 AUDIT & BUSINESS IMPROVEMENT COMMITTEE TRAINING ATTENDED

File No:	**5207**
Attachments:	**Nil**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

SUMMARY

A brief commentary is provided in relation to Audit & Business Improvement Committee professional development activities.

OFFICER'S RECOMMENDATION

THAT the report on professional development activities be received.

COMMENTARY

The Institute of Internal Auditors (IIA) delivered a full day professional development session for Audit Committee Members, which was attended by Councillor Strelow, Councillor Smith and the Chief Audit Executive (CAE), at Gladstone Regional Council on 23 October 2014.

The session, hosted by Gladstone Regional Council, was well attended by Councillors, Chairs of Audit Committees and interested staff from a number of Regional Councils from Central Queensland and other areas, including Rockhampton, Gladstone, Livingstone, Western Downs, Central Highlands and Bundaberg.

This workshop covered a number of items of topical interest, including delivery of the following outcomes for Local Government Audit Committees:

- Equipping Audit Committee Chairs and members with contemporary skills and tools to undertake their roles to a high level;

- Enabling the Committee to drive exemplary governance practices which help the entity to manage its affairs efficiently, effectively and ethically; and

- Positioning them to help the CEO and governing body to achieve their vision and deliver the business or statutory objectives.

Learning Objectives included:

- Distinguishing relevant legislative and regulatory requirements;

- Understanding the role and emerging expectations of contemporary Audit Committees;

- Appreciating techniques for running effective Audit Committee meetings;

- Driving the key governance features of audit, risk management and compliance;

- Adopting the three-pillars approach for measuring and reporting Audit Committees contribution;

- Recognising 'leading practice' opportunities to embrace practical tips and tools.

8.3   FRAUD AND CORRUPTION CONTROL

File No:	2562
Attachments:	1. **Fraud and Corruption Control Policy**
	2. **Fraud and Corruption Risk Checklist**
	3. **Fraud and Corruption Control Plan**
Authorising Officer:	**Drew Stevenson - Manager Corporate and Technology**
	Ross Cheesman - General Manager Corporate Services
Author:	**Kisane Ramm - Risk Management Officer**

SUMMARY

Presenting the proposed Fraud and Corruption Control Policy, Guide to Fraud and Corruption Control (The Plan), and Fraud and Corruption Risk Checklists.

OFFICER'S RECOMMENDATION

THAT the Committee receive the report and adopt the Fraud and Corruption Control Policy and the Fraud and Corruption Risk Checklists, as attached to this report.

COMMENTARY

Attachments 1 and 2 are the Fraud and Corruption Control Policy and the Fraud and Corruption Risk Checklists, prepared for the Committee's consideration and eventual adoption by the Council.

Owing to its dynamic nature, it is not intended for Council to adopt The Guide to Fraud and Corruption Control (The Plan). However, it has been included at Attachment 3 to provide additional context for the Committee (and the Council), to show how fraud and corruption control is intended to be implemented throughout the organisation. At a minimum, AS8001-2008 Fraud and Corruption Control, requires that The Plan be reviewed at least every two years. However, in line with Council's Policy Development, Implementation and Review Framework, The Plan and the checklist will be reviewed annually.

BACKGROUND

As identified in an earlier Annual Audit Plan, Internal Audit engaged Brisbane City Council as consultants to assist Council with developing various aspects of fraud and corruption control. Brisbane City Council has a highly regarded local government fraud and corruption expert as their Ethical Standards Manager. The highlights of this work consisted of:

- Providing basic fraud risk management training and awareness to senior management and selected staff;

- Conducting workshops on fraud risk management with selected staff in high risk areas;

- Delivery of an initial set of Council specific basic fraud risk registers for further development;

- Delivery of a draft Fraud and Corruption Control Program (The Plan) and Policy for further refinement by management.

Due to competing priorities the development of the policy, plan and checklist were placed on hold.

While Council has already implemented various aspects of fraud and corruption control for example: internal controls to prevent fraud and corruption occurrences; investigations where fraud or corruption may have been detected etc., by developing and implementing The Plan and the Risk Checklists it recognises the work that officers are already doing and identifies gaps or weaknesses that could be improved. It aims to provide a consistent, holistic fraud and corruption control approach, highlighting where one process may impact on another rather than doing things in isolation.

To formalise implementation of fraud and corruption control in Council some of the work originally done by Brisbane City Council has undergone major revision to include new and updated material. This includes the original Fraud Risk Registers and the Fraud and Corruption Control Policy. Attention has also been given to the development and finalisation of a fraud and corruption control plan based on AS8001-2008, QAO's Fraud Risk Management Report to Parliament 9: 2012-13 control self-assessment guide, and other local government fraud and corruption control plans. City of Gold Coast has also kindly given their permission for Rockhampton Regional Council to use their Fraud Awareness training presentation as a basis for developing our own training documentation.

Throughout the development of the Checklist, Policy, and The Plan input was provided by various internal stakeholders.

LEGISLATIVE CONTEXT

Control of fraud and corruption is broadly covered by various pieces of legislation. Fraud and corruption offences including false claims, stealing, misappropriation of property, receipt or solicitation of secret commissions and forgery are incorporated in the *Criminal Code 1899.* Fraud may also be considered as corrupt conduct under the *Crime and Corruption Act 2001.*

RISK ASSESSMENT

Fraud and corruption can have a large impact on an organisation. The Association of Certified Fraud Examiners' (ACFE) publication "Report to the Nations – 2014" identified that:

- the typical organisation loses 5% of revenues each year to fraud (this would equate to $11.5 million, based on the 2013-14 financial year, for Council if it was to be considered "typical");

- asset misappropriation frauds are the most common;

- tips are consistently and by far the most common detection method;

- the median duration of a fraud until it was detected was 18 months;

- the presence of anti-fraud controls result in lower losses and shorter fraud duration.

There are substantial indirect costs including: productivity loss, reputation damage, and costs associated with investigation and remediation of the issues that allowed the fraud to occur.

Based on the $11.5 million amount identified above and on the financial consequences as per Council's Risk Calculator, the risk assessment for fraud in Council would identify it as a "Major" potential exposure ($1,243,120 - $21,133,053) before implementation of any controls.

CONCLUSION

In conclusion, the draft fraud and corruption control documents attached to this report are presented for the Committee's consideration.

FRAUD AND CORRUPTION CONTROL

Fraud and Corruption Control Policy

Meeting Date: 20 March 2015

Attachment No: 1

FRAUD AND CORRUPTION CONTROL POLICY
(ADMINISTRATIVE POLICY)

1. **Scope:**

   This policy applies to all Rockhampton Regional Councillors, employees, contractors and volunteers.

2. **Purpose:**

   To define Council's position in relation to fraud and corruption by:

   - acknowledging Council's obligations as a public sector entity to eradicate all instances of fraudulent and corrupt activities through appropriate control measures; and
   - establishing Council's commitment to the promotion and proper management of the fraud and corruption management framework.

3. **Related Documents:**

   Primary
   Nil

   Secondary
   Crime and Corruption Act 2001
   Criminal Code Act 1899
   Financial Accountability Act 2009
   Local Government Act 2009
   Local Government Regulation 2012
   Public Interest Disclosure Act 2010
   Public Sector Ethics Act 1994

   Australian Standard AS 8001-2008 Fraud and Corruption Control
   Code of Conduct
   Complaint Management Policy
   Discipline Procedure
   Enterprise Risk Management Policy, and Framework
   The Guide to Fraud and Corruption Control (The Plan)
   Human Resources Management Delegations Policy
   Investigation Procedure
   Public Interest Disclosure Policy
   Public Interest Disclosure Procedure
   Reporting Official Misconduct Policy

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4.   **Definitions:**

To assist in interpretation, the following definitions apply (where appropriate referenced from AS 8001-2008 and ISO31000 as well as current legislation).

CEO	*Chief Executive Officer* A person who holds an appointment under section 194 of the *Local Government Act 2009.* This includes a person acting in this position.
Contractor	A person, organisation or entity that performs a specific act or acts including the provision of services and/or materials to another person, organisation or entity under an agreement enforceable by law.
Corrupt Conduct	Conduct that involves the exercise of a person's official powers in a way that: • Is not honest or impartial; or • Involves a breach of trust placed in the person as a public officer, either knowingly or recklessly; or • Involves a misuse of Council assets, materials or information; and • Is for the purposes of providing a benefit to the person or another person or causing a detriment to another person; and • Would, if proven constitute a criminal offence or is serious enough to justify a dismissal. Corrupt Conduct is defined formally and in detail as per s15 *Crime and Corruption Act 2001.*
Corruption	Corrupt conduct.
Council	Rockhampton Regional Council.
Councillor	The Mayor and Councillors of Rockhampton Regional Council, within the meaning of the *Local Government Act 2009*.
Employee	Local government employee— (a) the Chief Executive Officer; or (b) a person holding an appointment under section 196 of the *Local Government Act 2009*.
Enterprise Risk Management	Council's approach to risk management encompassing: strategy, processes, culture, technology, standards and knowledge in identifying, analysing, evaluating, managing, treating, reviewing and communicating uncertainties encountered. Enterprise Risk Management Policy.
Fraud	Dishonest activity causing actual or potential financial loss to any person or agency including theft of moneys or other property by employees or persons external to the agency and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal

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	financial benefit.
Fraud and Corruption Control Plan	A document summarising RRC's anti-fraud and anti-corruption strategies.
Leadership Team	Consists of the CEO and senior executive employees as defined by the *Local Government Act 2009*, employees appointed as a General Manager.
Public Interest Disclosure	A disclosure made under the *Public Interest Disclosure Act 2010* (PID Act) and includes all information and help given by the discloser to the proper authority for the disclosure.
Risk	The effect of uncertainty on objectives. In consideration of fraud and corruption risk, this will generally be a negative impact.
Wider Leadership Team	Comprises the Leadership Team and third line managers.

5. **Policy Statement:**

Council is committed to the prevention, detection and response of fraud and corruption done to or by Council in accordance with best practice guidance as set out by AS8001-2008 Fraud and Corruption Control.

Council has zero tolerance to activities related to fraud and corruption Council and will investigate, or otherwise formally enquire into, all instances of suspected fraudulent or corrupt conduct exposed as a result of receiving an allegation or detecting fraudulent or corrupt activities as statutorily required. Appropriate actions will follow these investigations including, where applicable, actions to recover moneys or other property should a cost benefit analysis justify such action.

5.1 Fraud and Corruption Principles

Councillors and all supervisory staff have a responsibility for setting the ethical tone of the organisation consistent with the ethics principles set out in the *Public Sector Ethics Act 1994* and the *Local Government Act 2009*. They play a key role in the general administration of their work areas and consequently overseeing the implementation, review and monitoring of fraud and corruption prevention strategies, including risk management processes and the Fraud and Corruption Control Plan.

There are three key principles that form Council's strategic framework; Prevention, Detection and Response. These key principles are covered in depth in Council's Fraud and Corruption Control Plan.

5.1.1 The Fraud and Corruption Control Plan forms the basis of the strategic overarching framework, encompassing the key principles and action plans to achieve Council's objective of zero tolerance.

5.1.2 Council's risk management principles and strategies as detailed in the Enterprise Risk Management Policy will be utilised to maximise prevention opportunities and minimise any potential risks of fraud and corruption.

5.1.3 All Councillors, employees, contractors and volunteers are accountable for their own conduct.

5.1.4 All persons that possess supervisory responsibilities, including elected members, are accountable for assisting in the establishment of a workplace

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with the highest ethical standards through promotion and exemplifying ethical behaviour at all times.

5.1.5   All Councillors, employees, contractors and volunteers have an obligation to report any corrupt conduct within their areas or other areas of Council.

5.1.6   In the event of the detection of any suspected corrupt activity, Councillors, employees, contractors and volunteers have an obligation to report their identified concerns.

5.1.7   Any persons reporting a suspected corrupt conduct activity shall be duly afforded protection from any potential reprisals.

5.1.8   Detecting fraudulent or corrupt activity through the systematic processes identified in the Fraud and Corruption Control Plan.

5.2 Fraud and Corruption Control Management Framework

Council's fraud and corruption control management framework is also based on the 10 elements identified in the Crime and Misconduct Commission's publication, *Fraud and Corruption Control: Guidelines for Best Practice (2005),* these elements are:

1.   A clear and integrated suite of relevant policies;

2.   Effective and continuing fraud and corruption risk management;

3.   Internal controls with clear accountability and responsibility structures;

4.   Effective internal reporting systems and procedures;

5.   An effective system of external notification and reporting;

6.   Robust public interest disclosure mechanisms;

7.   A clear Code of Conduct and disciplinary standards;

8.   Comprehensive staff awareness and appropriate training programs;

9.   Competent investigation processes and standards; and

10.   Effective stakeholder and community awareness programs.

6.   Review Timelines:

This policy will be reviewed when any of the following occur:

6.1   The related information is amended or replaced; or
6.2   Other circumstances as determined from time to time by the CEO.

7.   Responsibilities:

Sponsor	Chief Executive Officer
Business Owner	General Manager Corporate Services
Policy Owner	General Manager Corporate Services
Policy Quality Control	Corporate Improvement and Strategy

EVAN PARDON
CHIEF EXECUTIVE OFFICER

FRAUD AND CORRUPTION CONTROL

Fraud and Corruption Risk Checklist

Meeting Date: 20 March 2015

Attachment No: 2

Rockhampton Regional Council

Fraud and Corruption Summary		
Risk Area	**Highest Potential Exposure Rating**	**Highest Current Risk Rating**
Cash Handling	4.Major	Moderate 6
Conflict of Interest	4.Major	Moderate 6
External or Secondary Employment	3.Moderate	Moderate 6
Information Management	4.Major	Moderate 6
Procurement - including Contract Management	4.Major	Moderate 6
Regulatory and Compliance Functions - Community Standards	3.Moderate	Moderate 6
Regulatory and Compliance Functions - Planning	3.Moderate	Low 7
Staff Supervision and Administration	4.Major	Moderate 6
Travel Expense - Financial Fraud	3.Moderate	Low 7

Appendix A – Rockhampton Regional Council - Risk Calculator and Tables Diagram

Action Table
(Risk Criteria)

Risk Rating	Action Required
Red = Very High (1-3)	Staff to immediately escalate to General Manager and Managers as Risk Owners. Risk Owners to immediately advise CEO/Leadership Team Risk Owners implement a detailed budgeted treatment plan/s to reduce risk rating, with prior review by CEO. **For Safety Risks – Don't proceed any further** Workers are to take immediate action as required in the WH&S Risk Management Procedure
Orange = High (3-5)	Staff to immediately escalate to General Manager and Managers as Risk Owners. Risk Owners implement a detailed budgeted risk treatment plan/s to reduce risk rating. **For Safety Risks – Don't proceed any further** Workers are to take immediate action as required in the WH&S Risk Management Procedure
Yellow = Moderate (5-7)	Staff to immediately escalate to General Manager and Managers as Risk Owners. Risk Owners to determine what further risk treatment is required. Risk treatment plans must be budgeted for. Monitor trends and plan for improvement. **For Safety Risks** Workers are to take immediate action as required in the WH&S Risk Management Procedure
Green = Low (7-9)	Staff to advise Risk Owners Manage by routine procedures. Monitor trends. **For Safety Risks** Workers are to take immediate action as required in the WH&S Risk Management Procedure

Likelihood Assessment Table

RATING	Likelihood Assessment		Colloquial Description (use for safety consequences only)
	Probability	**Frequency and or Exposure**	
E	>95% - 100%	Weekly	Is expected to occur at most times
D	>70% -95%	Monthly or several times a year	Will probably occur at most times
C	>30% -70%	Once every 1-5 years	Could occur at some time
B	>5% – 30%	Once every 5-15 years	Might occur at some time
A	<5%	Greater than every 15 years	May occur in rare circumstances

Consequence Table and
(Potential Exposure Table)

CONSEQUENCE DESCRIPTORS (Detrimental in black and Beneficial in red)					
Consequence → / Potential Exposure →	**1.** *(1. Insignificant)*	**2.** *(2. Minor)*	**3.** *(3. Moderate)*	**4.** *(4. Major)*	**5.** *(5. Catastrophic)*
Community Relationships	Occasional local negative publicity. Council policy has low impact on community. Negligible improvement to image and reputation in a few areas of Council.	Periodic, local negative publicity arising from short term community concerns. Some disagreement between policy and public opinion. Image and reputation improved in some areas of Council.	Increasing and broadening negative publicity, loss of customer confidence, escalating customer complaints. Reputation affected. Obvious disagreement between policy and public opinion. Some enhancement to image and reputation across Council.	Sustained negative publicity surrounding possible Government enquiry, Coroner's enquiry or other legal proceedings or a loss of accreditation. Reputation tarnished. Major disagreement between policy and public opinion. Noticeable improvements to image and reputation across Council	State Government dismisses Council with severe damage to Council's reputation. Total disagreement between policy and public opinion. Image and reputation enhanced to a very high level across Council
Service Delivery	Minimal effect on service delivery. Little or no impact on customer expectations Negligible improvements in efficiency and customer service levels in a few areas.	Service delivery delays and disruptions localised to a few work locations. Limited impact on customer expectations Some service delivery areas across Council have achieved modest improvements in efficiency and customer service levels.	Service delivery delays and disruptions in a number of work locations. Some impact on customer expectations. A high percentage of service delivery areas across Council have achieved improvements in efficiency and customer service levels.	Service delivery severely affected at multiple work locations. Some areas unable to meet customer expectations All service delivery areas across Council are operating with efficiency and customer service level improvements	Cessation of operation of one or multiple major sites of operation. Inability to meet customer expectations All service delivery areas across Council are operating with high efficiency and customer service level improvements.
Infrastructure / Facilities / Assets	Minimal effect on infrastructure, assets, facilities, records, ICT data or communications systems	Localised damage to infrastructure, assets, facilities, or records. Restricted access to ICT data, records / records systems or communications systems during work hours.	Temporary damage to infrastructure, assets, facilities and more widespread damage to records. Temporary restricted access to ICT data records / records systems or communications systems for days	Restriction to or damage to some infrastructure, assets, facilities utilities, records / record systems, ICT data & communications systems resulting in prolonged service disruption.	Loss of all or some major infrastructure, assets, facilities, utilities, records / record systems, ICT data and communications systems. Permanent damage to infrastructure (etc) where services have ceased.
Financial (The annual report contains the net rates & utility revenue amount or contact finance)	Loss or gain of < one tenth% of annual net rates & utility revenue. Budget loss or gain for a Major Event or Capital Project of <1%. Little or no effect on corporate / operational plan objectives.	Loss or gain of between one tenth% & < one quarter% of annual net rates & utility revenue. Budget loss or gain for a Major Event or Capital Project of 1% to 5%. Minor parts of corporate / operational plan objectives not being addressed.	Loss or gain of between one quarter% & < 1% of annual net rates & utility revenue. Budget loss or gain for a Major Event or Capital Project of 5% to 10%. Some corporate / operational plan objectives not being addressed effectively which may impact on their achievement.	Loss or gain of between 1% & 17% of annual net rates & utility revenue. Budget loss or gain for a Major Event or Capital Project of 10% to 20%. A number of corporate / operational plan objectives not being addressed effectively which will prevent their achievement in almost all cases.	Loss or gain of 17% or more of annual net rates & utility revenue. Budget loss or gain for a Major Event or Capital Project of>20%. Multiple corporate / operational plan objectives not being addressed for an extended period preventing their achievement.
Strategic	Negligible improvement in corporate / operational plan objective achievement.	Minor contribution towards all corporate / operational plan objectives being achieved.	Moderate contribution towards all corporate / operational plan objectives being achieved.	All corporate / operational plan objectives meet with some exceeding required level of achievement.	All corporate / operational plan objectives exceeded required level of achievement.
Compliance (includes environmental compliance)	No known regulatory or statutory non-compliances. Low level environmental impact	Council experiences some temporary non-compliances. Environmental damage is easily contained and controlled	Temporary non-compliance with legislative requirements with a high number of regulatory conditions imposed. Environmental damage is not minor but responds to internal treatment	Legislative non-compliance results in multiple terminations of staff. Major environmental damage requiring outside assistance to rectify	Legislative non-compliance results in criminal charges and high level damages awarded against Council and Council staff. Environmental damage extensive, with irreversible long term effects
Safety	No harm, injuries or ailments requiring treatment to public/workers	Minor harm or injury where first aid is required for public/workers	Harm, injury or illness requiring professional medical treatment for public/workers	One or more public/workers requiring hospitalization & immediate medical treatment with the potential for permanent / long term incapacitation	Loss of life or multiple loss of life to public/workers. Life threatening injury / illness to public/workers.
FRW Water Quality	Isolated exceedance of aesthetic parameter with little or no disruption to normal operations	Potential local aesthetic, isolated exceedance of chronic health parameter	Potential widespread aesthetic impact or repeated breach of chronic health parameter	Potential acute health impact, no declared outbreak expected	Potential acute health impact, declared outbreak expected

CONSEQUENCE RATINGS

LIKELIHOOD	1.	2.	3.	4.	5.
E	Moderate 5	High 4	High 3	Very High 2	Very High 1
D	Moderate 6	Moderate 5	High 4	Very High 3	Very High 2
C	Low 7	Moderate 6	Moderate 5	High 4	Very High 3
B	Low 8	Low 7	Moderate 6	High 5	High 4
A	Low 9	Low 8	Moderate 7	Moderate 6	High 5

Rockhampton Regional Council

Risk Area: **Cash Handling**

Cash handling issues and misappropriation of funds have at times demonstrated a weakness in Council's cash handling controls.

Highest Potential Exposure Rating	**4.Major**	
Highest Current Risk Rating	**Moderate 5**	

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Lack of effective cash handling security in the Customer Service Centres resulting in resulting in theft of cash namely: **> Stealing from petty cash** **> Taking money from the till** **> Stealing incoming cash or cheques through an account set up to look like a bona fide payee**	Council Reputation	Criminal Activity	4.Major	Cash handling policies and procedures.	Implemented	Could at some time	3	Moderate 5				CO-ORDINATOR CUSTOMER SERVICE	MANAGER CORPORATE & TECHNOLOGY
				Employee cash handling training.	Implemented							CO-ORDINATOR CUSTOMER SERVICE	
				Formal end-of-day procedures including segregation oversight.	Implemented						Financial Services to conduct the reconcilliation of sites cash balances and procedures in random fashion without prior advice of attendance.	CO-ORDINATOR CUSTOMER SERVICE	
				Independent and secure cash collection service.	Implemented							CO-ORDINATOR CUSTOMER SERVICE	
				Cash Safe security procedures (e.g. physical placement, regular combination changes and restricted access).	Implemented							CO-ORDINATOR CUSTOMER SERVICE	
Ineffective cash handling at cash receiving points (not Customer Service) resulting in theft of cash namely: **> Stealing from petty cash** **> Taking money from the till** **> Stealing incoming cash or cheques through an account set up to look like a bona fide payee**	Council Reputation	Criminal Activity	4.Major	A cash handling policy is in place at 'Whole of Council' level providing 'cash handling principles'.	Implemented	Could at some time	3	Moderate 5			There are 25 'Cash floats' or receipting locations across Council excluding 3 Customer Service locations.	CO-ORDINATOR REVENUE & ACCOUNTING	MANAGER FINANCE
				Employee cash handling training.	Commenced				30/06/2015		Customer Services to assist with cash handling training. Finance to assess each sites processes and provide feedback.	CO-ORDINATOR REVENUE & ACCOUNTING	
				Formal procedures documented for each site including segregation oversight.	Commenced				31/12/2015		Financial Services to review existing written procedures and assist update these procedures as required. Unit coordinators to implement.	CO-ORDINATOR REVENUE & ACCOUNTING	
				Regular independent reconcilliations of cash balances and security processes against procedures.	Commenced				31/12/2015		Financial Services to conduct the reconcilliation of sites cash balances and procedures in random fashion without prior advice of attendance.	CO-ORDINATOR REVENUE & ACCOUNTING	
				Cash Safe security procedures (e.g. physical placement, regular combination changes and restricted access).	Commenced				30/06/2015		If applicable - Financial Services to review existing written procedures and assist update these procedures as required. Unit coordinators to implement.	CO-ORDINATOR REVENUE & ACCOUNTING	
EFT payment files could be skimmed when transferring from Bank files to receipts.	Council Reputation	Criminal Activity	4.Major	Skimming to another bank account would require the usual bank transfer processes of 2 persons authorising. Water Accounts would show as outstanding on the next account. To skim to own rates account or one of an associate would be highlighted to the payee through the follow up of outstanding debts. This is done promptly after rates discount period.	Implemented	Could at some time	3	Moderate 5				CO-ORDINATOR REVENUE & ACCOUNTING	MANAGER FINANCE
Rates & Sundry Debtor levies and adjustments could be falsified to benefit relevant staff or associates.	Council Reputation	Financial Fraud	4.Major	**Debtors**: Monthly credit reports generated and verified by supervisor.	Implemented	Could at some time	3	Moderate 5				CO-ORDINATOR REVENUE & ACCOUNTING	MANAGER FINANCE
				Separation from GL and AR functions as GL Journals are posted via Accounting Team.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Separation of bad debts management from receipt data entry. All transactions as part of a batch (which is sequential) - batch reports attached to journal entry sheets - manually checked against Audit Report. Majority of receipts handled from Customer Service.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Rates: All adjustments are marked as a transaction in the rates system allowing the individual to be identified.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Processing of adjustments is done in batches and double checked by supervisor.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Separation of entry of transactions from authorisation of transactions. All transaction as part of batch (which is sequential) - batch reports attached to journal entry sheets - manually checked.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Separation of receiving cash/cheque function and preparing banking from system receipt entry/debt write-off function/bank account reconciliation. Any receipts posted by the Rates team are in a separate Rates draw that is reveiewed by Customer Service and part of the daily totals.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	
				Both: Separation of IT system modification functions from transaction entry. Changes to user Access separate within System Administration function.	Implemented							CO-ORDINATOR REVENUE & ACCOUNTING	

Rockhampton Regional Council

Risk Area: Conflict of Interest

Allegations of conflict of interest are common within local government and may be directed at staff members and Councillors alike. Typically they involve situations where an individual's private business interests and/or personal relationships breach Council policies or conflict with the performance of Council duties.

Date: 30-January-2015

Highest Potential Exposure Rating	Highest Current Risk Rating
4.Major	Moderate 6

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Undeclared conflict of interest dealing with Council issues involving partners, spouses, family associates or friends. *Based on CCC Publication - "Corruption in Focus".*	Council Reputation	Conflict of Interest	4.Major	Clear strategies for dealing with conflicts of interest situations.	Implemented	Might at some time	3	Moderate 6				Coordinator Workforce Relations (Workforce and Strategy)	MANAGER WORKFORCE & STRATEGY
				Document Conflict of Interest declarations on personal files for employees.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Assist staff who disclose conflicts of Interest to manage potential conflicts.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				On-going education of employees and managers (Code of Conduct Cracking the Code).	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
Conflict in relation to recruitment of employees *NB: Conflicts arise in the recruitment of staff where friends or relatives are involved in the recruitment process.*	Council Reputation	Conflict of Interest	3.Moderate	HR person on recruitment panel.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations (Workforce and Strategy)	MANAGER WORKFORCE & STRATEGY
				Segregation of approval process for recruitment.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Clear guidelines for declaration of conflict of interest.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Document Conflict of Interest declarations on personal files for employees.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Clear policies on recruitment processes.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
Employees authorising payments for family members and associates.	Council Reputation	Misuse of Authority	3.Moderate	Separation of duties for ordering, processing and receipting.	Implemented	Rare	2	Low 8				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Use of preferred suppliers.	Implemented							Coordinator Procurement & Logistics	
				Monthly purchasing compliance audits, including review of conflicts of interest in purchasing.	Implemented							Coordinator Procurement & Logistics	
External business or social activities which could conflict with the performance in the public interest.	Council Reputation	Bias or Favouritism	3.Moderate	Sponsorship and grant policy.	Implemented	Might at some time	2	Low 7				Manager Finance	MANAGER WORKFORCE & STRATEGY
				Procedure for declarations of potential conflicts of interest.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Applicable employees submitting Declarations of Material Interest.	Implemented							Manager Governance Support	
				Code of Conduct.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
Employees or councillors failing to declare ownership of or conducting businesses.	Council Reputation	Bias or Favouritism	4.Major	MPI (material personal interest) register updated on a regular basis.	Implemented	Might at some time	2	Low 7				Manager Governance Support	CEO
				Senior executives required to declare MPI (material personal interest).	Implemented							Manager Governance Support	
				Tender evaluation plans include the provisions for the declaration of conflict of interest.	Implemented							Coordinator Procurement & Logistics	
				The tender evaluation plans include the option of appointing a probity auditor / adviser for substantial / sensitive projects.	Implemented							Coordinator Procurement & Logistics	
				Employment outside of Council procedure and approval process.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
				Code of Conduct, including the annual cracking of the code program.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
Employees and Councillors failing to declare gifts	Poor Transparency	Erosion of Standards	3.Moderate	Code of Conduct, including the annual cracking of the code program.	Implemented	Could at some time	2	Moderate 6				Coordinator Workforce Relations (Workforce and Strategy)	Manager Governance Support
				Regular reminders of policy around acceptance gifts.	Implemented							Manager Governance Support	
				RRC website outlines code of conduct.	Implemented							Coordinator Workforce Relations (Workforce and Strategy)	
Employees issuing Council approvals for family members and associates. *(Approvals can be in the form of development applications, licences and permits)*	Council Reputation	Misuse of Authority	3.Moderate	Segregation of duties in receipting, evaluation and approvals processing.	Implemented	Could at some time	2	Moderate 6				Wider Leadership Team	CEO
				Supervisory oversight of discretionary matters to ensure decision making is within regulatory frameworks.	Implemented							Wider Leadership Team	
				Monthly purchasing compliance auditing and reporting process.	Implemented							Coordinator Procurement & Logistics	

Rockhampton Regional Council

Risk Area: External or Secondary Employment

Secondary employment can harbour undesirable outcomes such as diminished job performance, unacceptable conflicts of interest, theft and criminal deception and fraud. The significance of secondary employment as a factor in combating potential fraud and misconduct is illustrated by the typical situations met in local government. These include the misuse of Council resources and facilities; misuse of information; planning and regulatory staff preparing drawings and undertaking other inspection and certification functions for developers; and staff spending undue time on their private business affairs (which may involve other conflicts of interest).

Highest Potential Exposure Rating	3.Moderate

Highest Current Risk Rating	Moderate 6

Date: 30-January-2015

In place (existing) and planned (future) — Refers to Key Controls

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resource	Comment	Control Owner	Risk Owner
Inappropriate employment outside of Council.	Council Reputation	Conflict of Interest	3.Moderate	Clearly defined policy around secondary employment.	Implemented	Might at some time	3	Moderate 6				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Code of Conduct awareness.	Implemented							Coordinator Workforce Relations	
				Reapplication for approval when there is a change of employment circumstances.	Implemented							Coordinator Workforce Relations	
				Use of MPI / COI registers for senior executives and contract employees.	Implemented							CEO	
				Implementation of administrative procedures and systems to ensure consistent applications of conflict of interest considerations in accordance with the Code of Conduct and Employment Outside of Council Procedure.	Implemented							Coordinator Workforce Relations	
An employee's outside employment impacts on personal health and welfare and diminishing work performance.	Council Reputation	Procedural Breach	3.Moderate	Education around secondary employment for all staff (Code of Conduct / cracking the code).	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Investigation of any illness or injury claims takes into consideration the impact of any outside employment.	Implemented							Coordinator Safety and Training	
				Employee required to declare any other employment or self employment on the application for worker's compensation.	Implemented							Coordinator Safety and Training	
Change of internal employment circumstances causes conflict of interest with approved secondary employment.	Council Reputation	Conflict of Interest	3.Moderate	New employees to Council are required to declare any secondary employment when commencing.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Central recording of secondary employment approvals.	Implemented							Coordinator Workforce Relations	
				Employees are required to reapply for permission to undertake employment outside of Council if their Council employment conditions change.	Implemented							Coordinator Workforce Relations	
				Current secondary employment applications are maintained on personal files.	Implemented							Coordinator Workforce Relations	

Rockhampton Regional Council

Risk Area:

Information Management

Information management is at the centre of a majority of Council's interactions and business processes and if infiltrated can cause major disruption to service provision. Poor communication processes and record keeping practices may enable questionable conduct to be more easily hidden. Conversely, undue reliance on oral or undocumented arrangements may mean there is no evidence to help in quickly resolving any later allegations of impropriety.

Highest Potential Exposure Rating	4.Major

Highest Current Risk Rating	Moderate 6

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Failure to identify, classify and handle sensitive information appropriately.	Council Reputation	Procedural Breach	3.Moderate	Clearly defined policies and procedures for dealing with (electronic and hardcopy) information.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Clear procedures around record keeping and maintenance of material.	Implemented							Coordinator Information Systems	
				Access to records is controlled - authorisation process.	Implemented							Coordinator Information Systems	
				Process for the retention of material in accordance with relevant legislation, including implemented records disposal and retention schedules.	Implemented							Coordinator Information Systems	
				Procedures for the disposal of information, files and printed media.	Implemented							Coordinator Information Systems	
				Information released in accordance with adopted Right To Information and Privacy policies (as per RTI and the Information Privacy Acts).	Implemented							Coordinator Information Systems	
Fraudulent activity by an independent contractor or external programmer.	Council Reputation	Misuse of Information	4.Major	Terms and condition of contracts requiring confidentiality, non-disclosure, return of all materials, right to audit.	Implemented	Might at some time	3	Moderate 6				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Restricted network and information access based on contracted responsibility.	Implemented							Coordinator Information Systems	
				Network access controls requiring authorisation and authentication.	Implemented							Coordinator Information Systems	
				All security breach incidents are logged and reviewed (via ISSG).	Implemented							Coordinator Information Systems	
				Network accounts reconciled and reviewed.	Implemented							Coordinator Information Systems	
				Established segregation of duties for all Corporate Systems.	Commenced				30/06/2015	Coordinator Information Systems and Finance staff	Purchasing (finance system) segregation implemented. Documentation of other business system segregation matrix progressing as planned.	Coordinator Information Systems	
				Contracts include acceptance of RRC Code of Conduct and all RRC policies and procedures.	Implemented							Coordinator Information Systems	
Inadequate policies and procedures on information management leading to fraudulent activity.	Council Reputation	Misuse of Information	3.Moderate	Comprehensive suite of policies and procedures relating to information management.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Clear policies on acceptable email and internet usage.	Implemented							Coordinator Information Systems	
				Guidelines around consequences for breaching information policies.	Implemented							Coordinator Information Systems	
				Code of Conduct and annual Cracking the Code program.	Implemented							Coordinator Corporate Improvement & Strategy	
				Guidelines on password usage and computer user security.	Implemented							Coordinator Information Systems	
				Guidelines in place covering the archiving of material, including emails.	Implemented							Coordinator Information Systems	
				Employing file management procedures with a high order of traceability.	Implemented							Coordinator Information Systems	
				Clearly defined policies for dealing with requests under the RTI and IP legislation.	Implemented							Coordinator Information Systems	
				Publicised procedures for dealing with non-Council confidential information ie: tender information provided by tenderers.	Implemented							Coordinator Procurement & Logistics	
				Established information systems governance framework and processes.	Implemented							Coordinator Information Systems	
Inappropriate use of network facilities or network breached.	Council Reputation	Procedural Breach	3.Moderate	Peer to peer connections are blocked.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Use of internet filters to block inappropriate websites.	Implemented							Coordinator Information Systems	
				Anti virus and patch management to reduce the vulnerability of malicious programmes.	Implemented							Coordinator Information Systems	
				Gateway monitoring and reporting on inward and outgoing emails.	Implemented							Coordinator Information Systems	
				Audit trails on high risk sites (generally blocked).	Implemented							Coordinator Information Systems	
				Regular review of user network access.	Implemented							Coordinator Information Systems	
				Monitoring and reporting of password breaches.	Implemented							Coordinator Information Systems	
				Monitoring for DVD / MP 3 / AVI files.	Implemented							Coordinator Information Systems	
				Transfer of emails to PDA's only allowed to Council equipment.	Implemented							Coordinator Information Systems	
				Implemented mobile device management software.	Implemented							Coordinator Information Systems	
				Regular review of all user accounts.	Implemented							Coordinator Information Systems	
				Audited controls over access to sensitive systems.	Implemented							Coordinator Information Systems	
				Security cabinets and other computer storage systems are secured.	Implemented							Coordinator Information Systems	
Misuse of all signatures for false authorisations.	Legal Liability	Misuse of Authority	3.Moderate	Code of conduct.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				HRM Delegation Policy.	Implemented							Coordinator Workforce Relations	
				Employee position descriptions detail individual delegated authority, including financial, HR and signing of correspondence.	Implemented							Coordinator Workforce Relations	
Misuse of telephone facilities for business / personal gain.	Resource Management	Procedural Breach	2.Minor	Telephone usage policies.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Greater use of exception reporting on telephone accounts.	Implemented							Coordinator Information Systems	
				Monitoring on PDA and Std mobiles usage for unauthorised numbers (1900) numbers.	Implemented							Coordinator Information Systems	
				Regular audits of telephones, mobile telephones and PDA records - customised reports of all users by department and section.	Implemented							Coordinator Information Systems	
Unauthorised access to HR systems (both electronic and manual) for personal benefit.	Council Reputation	Misuse of Information	3.Moderate	Physical HR files are secured and access to the files is restricted.	Implemented	Rare	2	Low 8				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Full audit trail on HR systems.	Implemented							Coordinator Workforce Relations	
				Levels of access are defined with individuals not being able to access their own files (without authorisation as per implemented policy).	Implemented							Coordinator Workforce Relations	
Unauthorised access to systems to commit financial fraud.	Legal Liability	Financial Fraud	3.Moderate	Full audit trail on financial systems.	Implemented	Might at some time	2	Low 7				Coordinator Financial Systems	MANAGER FINANCE
				Levels of access are defined program areas.	Implemented							Coordinator Financial Systems	
				Established segregation of duties in purchasing policy.	Implemented							Coordinator Procurement & Logistics	
				Financial delegations policy.	Implemented							Coordinator Procurement & Logistics	
				Account reconciliation and independent audit.	Implemented							Coordinator Revenue & Accounting	

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Use of RRC information for personal benefit (Logical Access). Logical access - defined as interactions with hardware through remote access - generally features identification, authentication and authorization protocols. Contrasted with the term "physical access," referring to interactions with hardware in the physical environment, where equipment is stored and used.	Council Reputation	Misuse of Information	3.Moderate	Documented policies and procedures.	Implemented	Might at some time	2	Low 7				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Identity management - user names, password rotation, authorisation controls.	Implemented							Coordinator Information Systems	
				Network controls on access.	Implemented							Coordinator Information Systems	
				Procedures to delete terminated employees from access to the network.	Implemented							Coordinator Information Systems	
				External network penetration tests.	Implemented							Coordinator Information Systems	
				Process for detecting and reporting password sharing.	Implemented							Coordinator Information Systems	
				Code of Conduct.	Implemented							Coordinator Workforce Relations	
Use of unauthorised or unlicensed software.	Commercial Exposure	Theft	3.Moderate	Software auditing tools in place to conduct scheduled review and detection of unauthorised and unlicensed software.	Implemented	Might at some time	2	Low 7				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Documented ICT policies and procedures.	Implemented							Coordinator Information Systems	
				Rights restricted to ITS to install software.	Implemented							Coordinator Information Systems	
				Restricted access to physical media and software installation files.	Implemented							Coordinator Information Systems	
Use of hardware or software for private purposes.	Resource Management	Procedural Breach	3.Moderate	Monitoring of email gateway.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Use of subject filters to block inappropriate internet sites ie: Movie, games and music sites.	Implemented							Coordinator Information Systems	
				Code of conduct.	Implemented							Coordinator Workforce Relations	
				Acceptable use policy for ICT.	Implemented							Coordinator Information Systems	
Failure to adequately document policy decisions.	Poor Transparency	Procedural Breach	3.Moderate	Clear policy for ensuring accurate and retrievable records of all significant management and administrative decisions.	Implemented	Might at some time	2	Low 7				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Established Recordkeeping policy including disposal and retention schedules .	Implemented							Coordinator Information Systems	
Identity theft by customers to access Council information.	Legal Liability	Misrepresentation	3.Moderate	Customer requests for information covered by privacy legislation are challenged to provide their identity.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Process to determine customer's identity.	Implemented							Coordinator Information Systems	
				Complainant identity is not released without the complainants authority.	Implemented							Coordinator Information Systems	
Unauthorised document modification or disposal.	Council Reputation	Misuse of Authority	3.Moderate	Primary source for all records is contained in ECM.	Implemented	Could at some time	2	Moderate 6				Coordinator Information Systems	MANAGER CORPORATE & TECHNOLOGY
				Authorisation for the destruction of records.	Implemented							Coordinator Information Systems	
				Records management in accordance with Recordkeeping policy and Public Records Act.	Implemented							Coordinator Information Systems	
				Use of folio sheets on all paper based files.	Implemented							Coordinator Information Systems	
				Document authorship is clearly identified.	Implemented							Coordinator Information Systems	

Rockhampton Regional Council

Risk Area: Procurement - including Contract Management

Procurement and contract management issues feature prominently in allegations of impropriety within local government. Others have alleged improper tendering and contract letting procedures, nepotism and conflicts of interest.

Council sourcing process must be able to demonstrate that due process has been followed and that all criteria have been met (consistent with the approved procedure's) for the value and complexity of a given contract or supply. Some Council complaints have alleged the diversion and misuse of Council resources or inappropriate expenditures and inadequate expenditure controls e.g. Ensuring that contractors are treated fairly, value for money, goods supplied are to the desired standards, services are performed.

Highest Potential Exposure Rating	4.Major

Highest Current Risk Rating	Moderate 6

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Conflicts of interest are not declared *(Potential or otherwise).*	Poor Transparency	Procedural Breach	3.Moderate	Evaluation teams required to complete a Conflict of Interest Declaration for sensitive procurements.	Implemented	Could at some time	2	Moderate 6				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Regular reviews and sign off on Code of Conduct (monthly Cracking the Code program).	Implemented							Coordinator Corporate Improvement & Strategy	
				Declaration of conflict of interest for all persons involved in the procurement process.	Implemented							Coordinator Procurement & Logistics	
				Staff awareness around Public Interest Disclosure policy.	Not Started				30/06/2016	Workforce Relations staff		Coordinator Workforce Relations	
Employees acting as contractors.	Council Reputation	Conflict of Interest	4.Major	Code of Conduct training for staff (Staff Induction and Cracking the Code program).	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER CORPORATE & TECHNOLOGY
				Conflict of interest declarations.	Implemented							Coordinator Procurement & Logistics	
				Check of ABN / ACN performed by AP.	Implemented							Coordinator Procurement & Logistics	
				Checks of employee details against potential contractors during new creditor application assessment and tender/quote evaluation.	Implemented							Coordinator Procurement & Logistics	
Bias selection of suppliers including: specifications; negotiation processes; and disclosure of sensitive information.	Council Reputation	Bias or Favouritism	4.Major	Trained staff to conduct all tenders.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Tender team are required to sign confidentiality and conflict of interest statements.	Implemented							Coordinator Procurement & Logistics	
				Code of Conduct.	Implemented							Coordinator Workforce Relations	
				Peer review of specifications.	Implemented							Coordinator Procurement & Logistics	
				Clearly defined assessment weighting criteria before the tender evaluation process commences.	Implemented							Coordinator Procurement & Logistics	
				Independent person from contracts area on the selection panel.	Implemented							Coordinator Procurement & Logistics	
				Comprehensive approval process that includes pre and post market submissions and checks, including value for money evaluations.	Implemented							Coordinator Procurement & Logistics	
				Single points of contact during the tender process.	Implemented							Coordinator Procurement & Logistics	
				A minimum of two members of the tender panel must be present at all negotiations.	Implemented							Coordinator Procurement & Logistics	
				Formal process for tender negotiation.	Implemented							Coordinator Procurement & Logistics	
				Independent review of assessment panel recommendations.	Implemented							Coordinator Procurement & Logistics	
				Use of probity audits in complex and sensitive situations (part of evaluation plan).	Implemented							Coordinator Procurement & Logistics	
				Non acceptance of evaluation team assessment must be documented.	Implemented							Coordinator Procurement & Logistics	
				Documentation of variations provided to all tenderers (part of the notice to tenderer process).	Implemented							Coordinator Procurement & Logistics	
				Independent complaints management process.	Implemented							Coordinator Workforce Relations	
Contractors or suppliers appointed inappropriately including: no selection process; and/or appropriate qualifications or competencies.	Council Reputation	Procedural Breach	4.Major	Comprehensive approval process that includes checks and evaluations against preapproved evaluation criteria.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Past performance, identity and qualifications of all tenderers verified as part of the assessment process.	Implemented							Coordinator Procurement & Logistics	
				Comprehensive checks of contractor licences, registrations and business documentations.	Implemented							Coordinator Procurement & Logistics	
				Centralised tendering and contracting functions overseeing the tender and contracting process.	Implemented							Coordinator Procurement & Logistics	
				Approval process for sole sourcing procurement (Council resolution).	Implemented							Coordinator Procurement & Logistics	
				Monitoring of leakage outside of approved suppliers (part of monthly purchasing compliance review).	Implemented							Coordinator Procurement & Logistics	
				Checks on purchases for contract compliance (part of monthly purchasing compliance review).	Implemented							Coordinator Procurement & Logistics	
Collusion between employee and supplier including: fraudulent over payment; and payments to "bogus" contractors.	Legal Liability	Financial Fraud	4.Major	Superintendents' role in approval process is clearly defined.	Implemented	Might at some time	2	Low 7			Major contracts performing well however issues with minor contracts	Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Separation of duties in the invoice and payment approval process/system.	Implemented							Coordinator Procurement & Logistics	
				Auditing of delegated approval processes as part of monthly purchasing compliance review.	Implemented							Coordinator Procurement & Logistics	
				Standardised process for contractor claims and payments across Council (including variation statements).	Implemented							Coordinator Procurement & Logistics	
				Staff provided with appropriate fraud awareness training (part of staff induction and cracking the code program).	Implemented							Coordinator Workforce Relations	
				Clearly defined and well understood contract terms and conditions centrally facilitated by the Contracts and Tenders team.	Implemented							Coordinator Procurement & Logistics	
				Induction training for contractors at the commencement of a contract.	Implemented							Coordinator Procurement & Logistics	
				Proof of work completed prior to the payment of invoices.	Implemented							Coordinator Procurement & Logistics	
				Process to ensure no duplication of payments via AP oversight.	Implemented							Coordinator Procurement & Logistics	
				Payment approved by Council's Representative following certification of the payment claim.	Implemented							Coordinator Procurement & Logistics	
				ABN / ACN numbers recorded for all contractors.	Implemented							Coordinator Procurement & Logistics	
				Checks of employee details against potential contractors during new creditor application assessment and tender/quote evaluation.	Implemented							Coordinator Procurement & Logistics	
				Comparison of invoice and purchase order dates (part of monthly purchasing compliance review).	Implemented							Coordinator Procurement & Logistics	
				Spend analysis of panel contractors.	Implemented							Coordinator Procurement & Logistics	

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Collusion between suppliers.	Council Reputation	Misrepresentation	3.Moderate	Checks in quoting and pricing patterns as part of evaluation assessment.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Declaration on non collusive behaviour by tenderers.	Implemented							Coordinator Procurement & Logistics	
Short supply of goods; payment for false claims for service; and supply of goods and services inferior to those ordered and paid for.	Resource Management	Financial Fraud	4.Major	Inventory control to identify discrepancies in supply system.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Technical inspection of specialised goods and services.	Implemented							Coordinator Procurement & Logistics	
				Budget variations and audit checks used to identify discrepancies.	Implemented							Coordinator Procurement & Logistics	
				Defined outputs and associated performance outcomes that are regularly reviewed.	Implemented							Coordinator Procurement & Logistics	
				Bank guarantees for pre-payments to contractors.	Implemented							Coordinator Procurement & Logistics	
				Clear terms and conditions of the contract.	Implemented							Coordinator Procurement & Logistics	
				Recording of quantity of work as part of progress claims.	Implemented							Coordinator Procurement & Logistics	
				Established segregation of duties in the requisition, approval and receipting process with month purchasing compliance review.	Implemented							Coordinator Procurement & Logistics	
				Funding for variations limited to approved contingencies.	Implemented							Coordinator Procurement & Logistics	
				Payment approved by Council's Representative following certification of the payment claim.	Implemented							Coordinator Procurement & Logistics	
				Non-conformance notices as part of the contract (Ensuring QA processes are in place).	Implemented							Coordinator Procurement & Logistics	
Contract extended inappropriately.	Commercial Exposure	Misuse of Authority	3.Moderate	Centralised management and auditing of contracts.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Authorised extension of contracts by the delegate.	Implemented							Coordinator Procurement & Logistics	
				Establishment of pre-qualified tenderers with agreed contract conditions.	Implemented							Coordinator Procurement & Logistics	
Inappropriate extension of scope.	Commercial Exposure	Misuse of Authority	3.Moderate	Superintendent/ delegate to review and approve variations.	Implemented	Might at some time	2	Low 7			Superintendents role must be clearly defined.	Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Documented procedures for pre-approvals.	Implemented							Coordinator Procurement & Logistics	
				Authorised extension of scope by the delegate.	Implemented							Coordinator Procurement & Logistics	
Biased use of suppliers/panels.	Council Reputation	Misuse of Authority	3.Moderate	Reasons for non-availability of panel contractor documented.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Regular spend analysis on panels.	Implemented							Coordinator Procurement & Logistics	
				Regular performance meeting with contractors (as needs basis).	Implemented							Coordinator Procurement & Logistics	
				Approval process for purchase orders (established purchasing segregation).	Implemented							Coordinator Procurement & Logistics	
				Monthly purchasing compliance review.	Implemented							Coordinator Procurement & Logistics	
Overlook contract provisions to favour contractor.	Council Reputation	Procedural Breach	3.Moderate	Independent review of contracts to ensure adherence with contract conditions ie: insurance, security deposits.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Claims against contractors are documented and reconciled.	Implemented							Coordinator Procurement & Logistics	
				Poor performance by a contractor is documented and addressed by the delegate.	Implemented							Coordinator Procurement & Logistics	
Kick back from contractors.	Council Reputation	Bribery	4.Major	Code of Conduct / Public Interest Disclosure (Whistleblower) procedures awareness.	Implemented	Could at some time	2	Moderate 6				Coordinator Workforce Relations	MANAGER CORPORATE & TECHNOLOGY
				Spend analysis of panel contractors.	Implemented							Coordinator Procurement & Logistics	
				Clearly defined gifts policies.	Implemented							Coordinator Workforce Relations	
				Contract monitoring by authorised delegate.	Implemented							Coordinator Procurement & Logistics	

Procurement

Rockhampton Regional Council

Risk Area: Regulatory and Compliance Functions - Community Standards

The commercial implications of regulatory processes have resulted in a perception that officers performing these functions are exposed to higher levels of risk and may become targets for untoward approaches and corrupt inducements. This perception applies to all Council personnel (including Councillors, consultants and agents) having an involvement in the decision-making processes

Highest Potential Exposure Rating	3.Moderate

Highest Current Risk Rating	Moderate 6

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Improper exercise of discretion. *(Decisions could be biased or manipulated in some manner due to misconduct, with the consequent erosion of quality and safety standards).*	Council Reputation	Misuse of Authority	3.Moderate	Well defined job descriptions and work instructions that define responsibilities, relationships, authority levels and accountabilities.	Implemented	Rare	3	Moderate 7				Community Standards & Compliance Supervisors	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Supervisory oversight of discretionary matters to ensure decision making is within regulatory frameworks.	Implemented							Community Standards & Compliance Supervisors	
				Unambiguous documentary requirements detailing all decision making.	Implemented							Community Standards & Compliance Supervisors	
				Independent complaint process for clients to report unethical behaviour.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Officers provided with and required to use appropriate equipment where relevant to minimise discretion required to be exercised ie. light meters to be carried to measure lighting levels in food preparation.	Implemented							Community Standards & Compliance Supervisors	
				Provision of training including Code of Conduct and decision making.	Implemented							Community Standards & Compliance Supervisors	
Improper provision of advice to other parties.	Council Reputation	Misrepresentation	3.Moderate	Access control over case information.	Implemented	Rare	3	Moderate 7				Community Standards & Compliance Supervisors	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Code of conduct training for all relevant staff, with particular reference to these exposures	Implemented							Community Standards & Compliance Supervisors	
				Clear instructions to staff on the limits of advice that can be provided by staff (eg: RTI etc).	Implemented							Community Standards & Compliance Supervisors	
Inadequate separation of functions.	Poor Transparency	Misuse of Authority	3.Moderate	Independent reviews of decision making progress, quality control and other supervisory functions.	Implemented	Rare	3	Moderate 7				Community Standards & Compliance Supervisors	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Separation of project oversight (no one person can certify / inspect all phases of a Project).	Implemented							Community Standards & Compliance Supervisors	
				Monitoring of file and plan handling by supervisors or team leaders.	Implemented							Community Standards & Compliance Supervisors	
				Compilation, recording and maintenance of photographic evidence.	Implemented							Community Standards & Compliance Supervisors	
				Provision of training including Code of Conduct and decision making.	Implemented							Community Standards & Compliance Supervisors	
				Processes legislated.	Implemented							Community Standards & Compliance Supervisors	
				Work instructions that define responsibilities, relationships, authority levels and accountabilities.	Implemented							Community Standards & Compliance Supervisors	
				Independent complaints process.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
Inappropriate expediting or delaying of regulatory process.	Council Reputation	Procedural Breach	3.Moderate	Recording and independent monitoring of relevant dates and durations.	Not Started	Rare	3	Moderate 7	30/01/2016			Community Standards & Compliance Supervisors	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Provision of training including Code of Conduct and decision making.	Implemented							Community Standards & Compliance Supervisors	
				Work instructions that define responsibilities, relationships, authority levels and accountabilities.	Implemented							Community Standards & Compliance Supervisors	
				Processes legislated.	Implemented							Community Standards & Compliance Supervisors	
Misleading Expectations or misuse of perceived powers.	Council Reputation	Procedural Breach	3.Moderate	Appropriate induction and refresher training in Code of Conduct and ethical business behaviour.	Implemented	Rare	3	Moderate 7				Coordinator Workforce Relations (Workforce and Strategy)	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Advisory publication clearly outlining staff powers and due processes.	Implemented							Community Standards & Compliance Supervisors	
				Delegations approved by Council.	Implemented							Community Standards & Compliance Supervisors	
				Delegations/Authorisations defined and recorded in Council's delegation database.	Implemented							Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	
				Delegations periodically reviewed and updated.	Implemented							Community Standards & Compliance Supervisors in conjunction with Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	
				Authorised officers issued with identification.	Implemented							Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	
				Public Interest Disclosure (whistleblowing) process of which all staff are aware.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Appropriate Council policies and procedures developed and implemented.	Implemented							Community Standards & Compliance Supervisors in conjunction with Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	

In place (existing) and planned (future)   Refers to Key Controls

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Regulator familiarity or close relationships with external organisations.	Council Reputation	Bias or Favouritism	3.Moderate	Guidelines relating to gifts, hospitality and other benefits Gift and hospitality register with periodic independent review.	Implemented	Might at some time	3	Moderate 6				Manager Governance Support	MANAGER COMMUNITY STANDARDS AND COMPLIANCE
				Guidelines on how to respond to corrupt approaches.	Implemented						Code of Conduct refers to this topic	Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Independent supervisory checks.	Implemented							Community Standards & Compliance Supervisors	
				Regular task rotation and reassignment of duties/ regions.	Implemented							Community Standards & Compliance Supervisors	
				Client Service Charter promulgated and made available through a variety of suitable channels.	Implemented							Community Standards & Compliance Supervisors / Coordinator Customer Services	
				Documented and easily available complaints procedure for customers.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
Variations in priority given to licence applications, or compliance monitoring.	Council Reputation	Bias or Favouritism	3.Moderate	Supervisor monitoring of applications for which they have responsibility.	Implemented	Might at some time	3	Moderate 6				Community Standards & Compliance Supervisors	MANAGER COMMUNITY STANDARDS AND COMPLIANCE

Rockhampton Regional Council

Risk Area: Regulatory and Compliance Functions - Planning

The commercial implications of regulatory processes have resulted in a perception that officers performing these functions are exposed to higher levels of risk and may become targets for untoward approaches and corrupt inducements. This perception applies to all Council personnel (including Councillors, consultants and agents) having an involvement in the decision-making processes

Highest Potential Exposure Rating	Highest Current Risk Rating
3.Moderate	Low 7

Date: 14-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources in $	Comment	Control Owner	Risk Owner
Improper exercise of discretion. *(Decisions could be biased or manipulated in some manner due to misconduct, with the consequent erosion of quality and safety standards).*	Council Reputation	Misuse of Authority	3.Moderate	Highly visible internal reporting systems - maintain and accessible documentation to support decisions.	Implemented	Might at some time	2	Low 7				Coordinator Development Assessment	MANAGER PLANNING
				Well defined job descriptions that define responsibilities, relationships, authority levels and accountability.	Implemented							Coordinator Development Assessment	
				Supervisory oversight of discretionary matters to ensure decision making is within regulatory frameworks.	Implemented							Coordinator Development Assessment	
				Unambiguous documentary requirements detailing all decision making.	Implemented							Coordinator Development Assessment	
				Independent complaint process for clients to report unethical behaviour.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Provision of training relating to decision making.	Implemented							Coordinator Development Assessment	
Improper provision of advice to other parties.	Council Reputation	Breach of Confidentiality	2.Minor	Access control over case information.	Implemented	Could at some time	1	Low 7				Coordinator Development Assessment	MANAGER PLANNING
				Code of conduct training and awareness.	Implemented							Coordinator Development Assessment	
				Documented procedures defining information access.	Implemented							Coordinator Development Assessment	
Inadequate separation of functions.	Poor Transparency	Misuse of Authority	3.Moderate	Independent reviews of decision making progress, quality control and other supervisory functions.	Implemented	Rare	2	Low 8				Coordinator Development Assessment	MANAGER PLANNING
				Separation of project oversight (no one person can certify / inspect all phases of a Project).	Implemented							Coordinator Development Assessment	
				Monitoring of file and plan handling by supervisors or team leaders.	Implemented							Coordinator Development Assessment	
				Compilation, recording and maintenance of photographic evidence.	Implemented							Coordinator Development Assessment	
				Independent complaints process.	Implemented							Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
Inappropriate approval of on-site works.	Council Reputation	Procedural Breach	2.Minor	Guidelines on how to respond to corrupt approaches.	Implemented	Might at some time	2	Low 7			Code of Conduct refers to this topic (Coordinator DA)	Industrial Relations and Investigations Supervisor (Workforce and Strategy)	MANAGER PLANNING
				Independent supervisory site checks and office audits.	Implemented							Coordinator Development Assessment	
				Regular task rotation and reassignment of duties/ regions (including for types of approvals).	Implemented							Coordinator Development Assessment	
				Declaration of any conflict of interest.	Implemented							Coordinator Development Assessment	
Inappropriate expediting or delaying of regulatory process.	Poor Transparency	Procedural Breach	2.Minor	Recording and independent monitoring of relevant dates and durations.	Implemented	Might at some time	2	Low 7				Coordinator Development Assessment	
				SPA (Sustainable Planning Act) timeframes with ability for applicants to seek orders from Planning and Environment Court to direct Council to meet SPA times.	Implemented							Coordinator Development Assessment	
Inappropriate staff advice or referrals to customers.	Commercial Exposure	Procedural Breach	3.Moderate	Clear instructions to staff on the limits of advice that can be provided by staff.	Implemented	Could at some time	1	Low 7				Coordinator Development Assessment	MANAGER PLANNING
				Code of conduct training for all relevant staff, with particular reference to these exposures and circumstances.	Implemented							Coordinator Development Assessment	
				Standing agenda items in team meetings for discussion of ethical dilemmas.	Implemented							Coordinator Development Assessment	
Misleading Expectations or misuse of perceived powers.	Council Reputation	Procedural Breach	3.Moderate	Appropriate induction and refresher training in Code of Conduct and ethical business behaviour.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations (Workforce and Strategy)	MANAGER PLANNING
				Delegations approved by Council.	Implemented							Coordinator Development Assessment	
				Delegations/Authorisations defined and recorded in Council's delegation database.	Implemented							Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	
				Delegations periodically reviewed and updated.	Implemented							Coordinator Development Assessment	
				Authorised officers issued with identification.	Implemented							Delegations under SPA are not included on the back of our authorisations (Coordinator DA). Identity cards are issued to persons granted legislative authorised person powers to enter private property, subject to certain limitations. No legislative *authorisations* exist for the SPA; only legislative *sub-delegations* to positions exist for the SPA which are not required to be listed on the back of identification cards. (Coordinator CI&S)	Coordinator Corporate Improvement and Strategy (Workforce and Strategy)	
				Secure reporting of issued approvals, etc. providing management and audit trails.	Implemented							Coordinator Development Assessment	
				Public Interest Disclosure (whistleblowing) process of which all staff are aware.	Implemented						Only minor parts in Cracking the Code (Coordinator DA)	Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Manager reporting and communications Team meetings - managers discuss particular issues, eg: how to handle conflict of interest. Regular reporting to manager. Role model of ethical behaviour.	Implemented							Coordinator Development Assessment	
				Display of notices in public areas showing Council's commitment to ethical behaviour, expected timelines and performance pledges.	Implemented						This should be Council-wide notices (Coordinator DA).	Manager Governance Support	

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls	Status	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources in $	Comment	Control Owner	Risk Owner
Misuse of power to recommend development, determine whether the submission to a development application are properly made of impose conditions of approval	Commercial Exposure	Procedural Breach	3.Moderate	Independent reviews of decision making, quality control and other supervisory functions. Feedback on process sought and evaluated, eg: Development forum and surveys.	Implemented	Rare	2	Low 8				Coordinator Development Assessment	MANAGER PLANNING
				Separation of project oversight (no one person can certify / inspect all phases of a Project).	Implemented							Coordinator Development Assessment	
				Monitoring of file and plan handling.	Implemented							Coordinator Development Assessment	
				Processes for ensuring Community and Customer awareness of Council processes, purpose and extent of conditions, etc including rights to appear and complaints process.	Implemented							Coordinator Development Assessment	
				Periodic customer surveys.	Implemented						DA Health check project and at Development Forum.	Coordinator Development Assessment	
				'Ombudsman' function to receive and respond to customer concerns or complaints. Can be escalated to CCC / Police.	Implemented							Coordinator Development Assessment	
Regulator familiarity or close relationships with external organisations.	Council Reputation	Bias or Favouritism	2.Minor	Guidelines relating to gifts, hospitality and other benefits Gift and hospitality register with periodic independent review.	Implemented	Could at some time	1	Low 7				Manager Governance Support	MANAGER PLANNING
				Guidelines relating to meetings with clients. Staff supported to raise issues regularly.	Implemented						No formal guideline, but staff are supported to raise issues regularly. Implemented in Development Assessment area. (Resources required: Probably W&S to produce guideline)	Coordinator Development Assessment	
				Guidelines on how to respond to corrupt approaches.	Implemented						Code of Conduct refers to this topic.	Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Independent supervisory site checks and office audits.	Implemented							Coordinator Development Assessment	
				Regular task rotation and reassignment of duties/ regions (including for types of approvals).	Implemented							Coordinator Development Assessment	
				Education of developers / regular customers on how Council does business, including what Council staff should not be doing / acting.	Implemented							Coordinator Development Assessment	
				Client Service Charter promulgated and made available through a variety of suitable channels.	Commenced				30/06/2015			Coordinator Development Assessment / Coordinator Customer Service	
				Documented and easily available complaints procedure for customers.	Implemented						Internal and external? (IRIS) There is a Council policy on complaints but it is not easily understood (Coordinator DA).	Industrial Relations and Investigations Supervisor (Workforce and Strategy)	
				Inclusion of appropriate questions on periodic DA customer surveys.	Implemented							Coordinator Development Assessment	
Variations in priority given to licence applications, or compliance monitoring.	Council Reputation	Bias or Favouritism	3.Moderate	Supervisor monitoring of applications for which they have responsibility.	Implemented	Could at some time	1	Low 7				Coordinator Development Assessment	MANAGER PLANNING
				Random audits of applications.	Not Started				31/12/2015		File audit program is being developed.	Coordinator Development Assessment	
				System run progress reports set against IDAS statutory timeframes and taking into account application complexity	Implemented							Coordinator Development Assessment	

Rockhampton Regional Council

Risk Area: Staff Supervision and Administration

Common factors in many project-related complaints are the (apparent) lack of adequate supervisory oversight and suspect monitoring of work quality and expenditure. Poor supervisory practices, if present, could pose substantial risks from the undisclosed use (or misuse) of resources.

Highest Potential Exposure Rating	4.Major

Highest Current Risk Rating	Moderate 6

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Breach of customer privacy.	Council Reputation	Procedural Breach	3.Moderate	All employees have a clear understanding of Council's Code of Conduct and Privacy policy (staff inductions, ECM training and annual cracking the code program).	Implemented	Could at some time	2	Moderate 6				Coordinator Workforce Relations	MANAGER CORPORATE & TECHNOLOGY
				The Records Supervisor (RTI Coordinator) and RTI & Privacy officer provide advice and conduct regular training of staff (Recordkeeping / ECM training).	Implemented							Coordinator Information Systems	
				Staff are trained in dealing with requests from any external authority.	Implemented							Coordinator Information Systems	
				Single point of contact for all external requests for sensitive information.	Implemented							Coordinator Information Systems	
Bias in recruitment and selection of staff.	Council Reputation	Procedural Breach	3.Moderate	Clearly defined recruitment and selection procedures.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Segregation of approval process for recruitment.	Implemented							Coordinator Workforce Relations	
				Random audits of recruitment processes.	Implemented							Coordinator Workforce Relations	
				Staff trained in recruitment and selection procedures.	Implemented							Coordinator Workforce Relations	
				Independent member of the recruitment panel.	Implemented							Coordinator Workforce Relations	
Lack of effective supervision of staff.	Resource Management	Procedural Breach	3.Moderate	Clearly defined and up to date role statements and accountabilities in position descriptions.	Implemented	Could at some time	2	Moderate 6				Manager Workforce & Strategy	CEO
				Effective use and understanding of performance management processes and tools.	Implemented							Manager Workforce & Strategy	
				Provision of appropriate leadership training to all supervisors.	Implemented							Manager Workforce & Strategy	
				Availability of support mechanisms for managers and team leaders via the Workforce & Strategy Section.	Implemented							Manager Workforce & Strategy	
False or over-stated qualifications / experience provided by job applicant to secure Council position.	Erosion of Standards	Misrepresentation	4.Major	Conduct of qualifications checks where a qualification are required for a particular position.	Implemented	Might at some time	2	Low 7				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Potential employees to provide evidence of qualifications.	Implemented							Coordinator Workforce Relations	
				Criminal history and blue card checks are undertaken on identified positions.	Implemented							Coordinator Workforce Relations	
				Mandatory reference checks as part of recruitment.	Implemented							Coordinator Workforce Relations	
Misuse of Council resources for private use.	Council Reputation	Misuse of Authority	3.Moderate	Clearly defined policy around the borrowing of Council equipment included in the Code of Conduct.	Implemented	Could at some time	2	Moderate 6				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Approval of usage included on employee files.	Implemented							Coordinator Workforce Relations	
Unauthorised access to employee files.	Poor Transparency	Procedural Breach	3.Moderate	Policies dealing with staff access to personal file.	Implemented	Might at some time	3	Moderate 6				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Staff are only given access to their files under policy provisions.	Implemented							Coordinator Workforce Relations	
				Confidentiality for staff and contractors covered in the Code of Conduct.	Implemented							Coordinator Workforce Relations	
				All requests for copies of information on a personal file is dealt with via the Access to Employee Records Procedure or the IP access process.	Implemented							Coordinator Workforce Relations	
Favouritism in the treatment of staff in the workplace.	Poor Transparency	Bias or Favouritism	3.Moderate	Defined work plans and documented expectations.	Implemented	Might at some time	3	Moderate 6				Coordinator Workforce Relations	MANAGER WORKFORCE & STRATEGY
				Documented grievance procedures.	Implemented							Coordinator Workforce Relations	
				Training in Code of Conduct including equity and diversity awareness.	Implemented							Coordinator Workforce Relations	
				Random sampling of timesheets.	Not Started				31/12/2015			Coordinator Workforce Relations	

Rockhampton Regional Council

Risk Area: Travel Expense - Financial Fraud

The intent of travel expense fraud is to recover the cost of non-reimbursable expenses, to disguise inappropriate entertainment, a sense of entitlement, to conceal individual expenses considered too high for reimbursement or to receive reimbursement for actual expenses where either the original receipt has been lost or is non-existent.

Highest Potential Exposure Rating	3.Moderate

Highest Current Risk Rating	Low 7

Date: 30-January-2015

What is the risk	Impact	Corruption Type	Potential Exposure Rating	Key Controls (In place (existing) and planned (future))	Status (Refers to Key Controls)	Likelihood Rating	Consequence Rating	Current Risk Rating	Completion Due	Resources	Comment	Control Owner	Risk Owner
Claims made for travel expenses that have not been incurred or are in excess of entitlements.	Council Reputation	Financial Fraud	3.Moderate	Documented policy of travel expenses provided to employees before they travel (part of travel pack).	Implemented	Might at some time	2	Low 7				Manager Governance Support	MANAGER GOVERNANCE SUPPORT
				Reconciliation of expenses undertaken within 30 days of expenditure being incurred.	Implemented							Manager Governance Support	
				Original invoices must be received.	Implemented							Manager Governance Support	
				Provision of quarterly travel report presented to Council.	Implemented							Manager Governance Support	
				Provision of reports of proposed travel costs verses actual costs to GM's and CEO as appropriate. Costs in access of original approved travel referred to GM/CEO for re-approval.	Implemented							Manager Governance Support	
				Escalation process for doubtful claims.	Implemented							Manager Governance Support	
				Individuals required to repay unapproved travel expenses.	Implemented							Manager Governance Support	
				Random auditing of travel expense claims and corporate cards.	Implemented							Manager Governance Support	
Corporate cards being used for travel related expenses.	Resource Management	Procedural Breach	2.Minor	Monthly credit card compliance check performed centrally.	Implemented	Might at some time	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Policy on use of corporate credit card for travel related expenses.	Implemented							Coordinator Procurement & Logistics	
				Separation of duties in relation to review and approval of credit card expenditure reports.	Implemented							Coordinator Procurement & Logistics	
				Set Corporate Card block codes as per Corporate Card Procedure	Implemented							Coordinator Procurement & Logistics	
				Airline travel to be arranged corporately - not by the individual who is travelling.	Implemented								
Credit Cards are unblocked for some transactions.	Poor Transparency	Procedural Breach	2.Minor	All "unblocking" is to be authorised centrally and documented.	Implemented	Rare	2	Low 7				Coordinator Procurement & Logistics	MANAGER CORPORATE & TECHNOLOGY
				Credit Card authority requires a limited group of Council authorising officers to administer corporate cards.	Implemented							Coordinator Procurement & Logistics	
				"Unblocking" to be subject to internal audit review.	Implemented							Coordinator Procurement & Logistics	
Travel arrangements not being coordinated centrally.	Poor Transparency	Procedural Breach	3.Moderate	All travel to be coordinated centrally.	Implemented	Rare	2	Low 8				Manager Governance Support	MANAGER GOVERNANCE SUPPORT
				Policy and procedure for travel and conference processes and approvals	Implemented							Manager Governance Support	
				Travel data being captured and reported on centrally.	Implemented							Manager Governance Support	
Breaches are not investigated by an appropriate authority.	Poor Transparency	Procedural Breach	3.Moderate	Documented escalation process for suspect claims.	Implemented	Might at some time	2	Low 7				Manager Governance Support	MANAGER GOVERNANCE SUPPORT
				Investigation of suspect claims referred to respective GM.	Implemented							Manager Governance Support	

FRAUD AND CORRUPTION CONTROL

Fraud and Corruption Control Plan

Meeting Date: 20 March 2015

Attachment No: 3

FRAUD AND CORRUPTION CONTROL PLAN

1 Scope:

This plan applies to all Rockhampton Regional Councillors, employees, contractors and volunteers.

2 Purpose:

To establish and document Council's strategic fraud and corruption management framework and the practices engaged for the effective prevention, detection, and response of fraud and corruption done to, or by, Council.

3 Related Documents:

Primary
Fraud and Corruption Control Policy

Secondary
Crime and Corruption Act 2001
Criminal Code Act 1899
Financial Accountability Act 2009
Industrial Relations Act 1999
Local Government Act 2009
Local Government Regulation 2012
Public Interest Disclosure Act 2010
Public Sector Ethics Act 1994

Australian Standard AS 8001-2008 Fraud and Corruption Control
International Professional Practices Framework (IPPF)
International Standard ISO 31000 – Risk Management – Principles and Guidelines
Queensland Health *The Guide to Fraud and Corruption Control (The Plan); version no. 20*

Audit and Business Improvement Committee Charter
Code of Conduct
Complaints Management Policy
Council's Financial Management Guidelines
Discipline Procedure
Enterprise Risk Management - Policy, and Framework
Fraud and Corruption Risk Checklist
Human Resources Management Delegations Policy
Information Security Policies
Internal Audit Policy
Investigation Procedure

Corporate Improvement and Strategy use only

Adopted/Approved:	Draft	**Department:**	Corporate Services
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Procurement and Logistics Policies and Procedures
Public Interest Disclosure Policy
Public Interest Disclosure Procedure
Recordkeeping Policy
Reporting Official Misconduct Policy and Procedure

4   **Definitions:**

To assist in interpretation, the following definitions apply. Also refer to the definitions (and references) contained in the Fraud and Corruption Control Policy.

Bribe	The act of paying a secret commission to another individual. It is also used to describe the secret commission itself.
Conflict of Interest	A conflict of interest involves a conflict between your official duties and responsibilities in serving the public interest and your private interests. A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage – whether financial or otherwise. This includes advantages to relatives and friends.
Council	Rockhampton Regional Council

Evidence	(a) of the commission of major crime or corruption, Includes —
	     (i) a thing or activity that is or may provide evidence of the commission of the major crime or corruption; and
	     (ii) a thing that will, itself or by or on scientific examination, provide evidence of the commission of the major crime or corruption; and
	     (iii) a thing that is intended to be used for the purpose of committing the major crime or corruption; and
	     (iv) a thing that may be liable to forfeiture; or
	(b) of identity, for chapter 3, part 6B, see section 146Q.

Fraud and Corruption Risk Assessment	The application of risk management principles and techniques in assessing the risk of fraud and corruption within Council.
Investigation	A search or collaboration of evidence connecting or tending to connect a person (either a natural person or a body corporate) with conduct that infringes the criminal law or the policies and standards set by Council.
Secret Commission	A payment in money or in kind which will or is intended to cause a person to act in a way that is contrary to the interests of his or her principal or employer or is contrary to the principal or employer's policy on a given issue or is against the public interest. Secret commissions, by definition, will typically be paid without the knowledge or express or implicit agreement of the principal and include payments intended to influence the outcome of a specific action or event as well as the actions generally over a period of time. The advantage that may be gained is not limited to the perpetrator and the benefit may be an inappropriate advantage gained for Council or for a third party. The benefit(s) likewise may be tangible or

Corporate Improvement and Strategy use only

Adopted/Approved:	Draft	**Department:**	Corporate Services
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	intangible.
Unit of Public Administration (UPA)	Each of the following is a unit of public administration
	(a) the Legislative Assembly, and the parliamentary service;
	(b) the Executive Council;
	(c) a department;
	(d) the police service;
	(e) a local government;
	(f) a corporate entity established by an Act or that is of a description of a corporate entity provided for by an Act which, in either case, collects revenues or raises funds under the authority of an Act;
	(g) a noncorporate entity, established or maintained under an Act, that
	(i) is funded to any extent with State moneys; or
	(ii) is financially assisted by the State;
	(h) a State court, of whatever jurisdiction, and its registry and other administrative offices;
	(i) another entity prescribed under a regulation.

For examples of fraud and corruption refer to Attachment 1.

5   Guideline:

5.1   Introduction

Council has zero tolerance to activities related to fraud and corruption and is supported by a hierarchy of governance and controls to build an ethical organisation culture.

Council operates in an environment of extensive contracting of goods and services, devolution of management control and authority, increased decision-making powers of employees and the provision of increasing access to confidential information through computer technology.

Fraud and corruption may damage Council's credibility including the potential loss of public confidence, lower morale, and/or reduce productivity and performance; all which may far exceed any likely financial or material loss caused through the betrayal of trust.

Council applies fraud and corruption control measures across all facets of its operations to protect its assets and uphold the rule of law in protecting the rights and privileges of organisations and individuals.

This plan forms an integral part of Council's overall enterprise risk management strategy, seeking to minimise the opportunities for fraud and corruption and enhancing the integrity and effectiveness of all its operations.

This plan is comprised of three key themes based on the Australian Standard – *Fraud and Corruption Control* (AS8001-2008) consisting of:
- Prevention
- Detection
- Response

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Additionally, Council will also address the theme 'Planning and Resourcing'.
Within these themes sit the 10 elements identified by the Crime and Misconduct
Commission's 2005 publication *Fraud and Corruption Control: Guidelines for Best
Practice*.

ELEMENT	Prevention	Detection	Response
1. A clear and integrated suite of relevant policies.	✓		✓
2. Effective and continuing fraud and corruption risk management	✓	✓	✓
3. Internal controls with clear accountability and responsibility structures	✓	✓	✓
4. Effective internal reporting systems and procedures	✓	✓	✓
5. Effective system of external notification and reporting			✓
6. Robust public interest disclosure (PIDs) mechanisms		✓	✓
7. Clear Code of Conduct and disciplinary standards	✓		✓
8. Comprehensive staff awareness and appropriate training programmes	✓		✓
9. Competent investigation processes and standards		✓	✓
10. Effective stakeholder and community awareness programmes	✓		

To achieve Council's fraud and corruption risk management goals, ongoing risk
reviews of the Fraud and Corruption Risk Checklist and Council's enterprise risk
registers to manage significant risks are required to be regularly undertaken. These
reviews focus on improving systems and procedures, changing the attitude of
individuals and improving the overall integrity and performance of the organisation.

Some examples of fraud and corruption are highlighted in Attachment 1.

5.2   Planning and Resourcing

(*Note: in the below tables "oversight" does not mean the person or group who is
responsible for actioning the item, with the exception of "all employees" where
oversight is not practical. It refers to the person or group nominated to make certain
that the item listed in the action plan is implemented.*)

AS 8001-2008	ACTION PLAN	OVERSIGHT	TIME FRAMES
S2.2	• Implement Fraud and Corruption Control Plan (The Plan) – should be viewed as integral part of enterprise resource management	GM Corporate Services	Ongoing
	• An assessment of fraud and corruption risk should be completed to better scope the fraud programme documented in The Plan.		Nearly Completed (Fraud and Corruption Risk Checklist being worked on)

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	• Accountability for the implementation and ongoing monitoring of The Plan to be allocated to a person with seniority, skills, experience and sufficient time under direction of appropriately constituted committee.		Ongoing
	• The Plan should be communicated.		Ongoing via Cracking the Code. Further awareness programs to be considered by 30 June 2015.
	• The Plan will be further monitored through Internal Audit conducting periodical reviews as identified in the Annual Audit Plan.		Ongoing
S2.3	• The Plan is to be reviewed/amended at a minimum of once every 2 years.	GM Corporate Services	Every 2 years.
S2.4	• Appropriate resources to be allocated to the prevention, detection and response to fraud and corruption risks	CEO / GM Corporate Services	Consideration by 30 June 2015
	• Other resources as determined necessary.		Ongoing
S2.5	• Council recognises Internal Audit (IA) activity can be an effective control to identify indicators of fraud control, demonstrated through IA considering fraud risks as part of each engagement. • IA activity is to be in accordance with IPPF (audit Standard) fraud detection, deterrence and response provisions, determined by results of the Quality Assurance and Improvement program developed by the Chief Audit Executive.	CEO	Ongoing

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5.3   Prevention

(Note: in the below tables "oversight" does not mean the person or group who is responsible for actioning the item, with the exception of "all employees" where oversight is not practical. It refers to the person or group nominated to make certain that the item listed in the action plan is implemented.)

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
1. Integrated Policy	Fraud Control Strategy including policy and plan	• The Plan, to be read in conjunction with other related documents, to be endorsed and promoted by senior management and implemented. Key documents (not exhaustive) include: ○ *Local Government Act 2009* ○ *Public Interest Disclosure Act 2010* ○ *Crime and Corruption Act 2001* ○ *Public Sector Ethics Act 1994* ○ ISO 31000 – Risk Management –Principles and Guidelines ○ Enterprise Risk Management - Policy; and Framework ○ Fraud and Corruption Risk Checklist ○ Code of Conduct ○ Audit and Business Improvement Committee Charter ○ Internal Audit Charter ○ Council's current Corporate Plan ○ Procurement Policies and Procedures ○ Council's Financial Management Guidelines ○ Complaints Management Policy ○ Discipline Procedure ○ Reporting Official Misconduct Procedure ○ Investigation Procedure ○ Corruption in Focus (CCC) • The Plan is to be reviewed at least every 2 years.	Leadership Team	Ongoing
		• Relevant employees will be engaged to provide advice	GM Corporate	Ongoing

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ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		regarding preventive strategies and reviews of The Plan.	Services	
2. Risk Assessment	Fraud Risk Assessment	• Fraud and corruption risks to be considered, assessed and documented in the Fraud and Corruption Risk Checklist.	Wider Leadership Team	Every 2 years
		• Fraud and corruption resistant work practices and subsidiary control plans to be addressed and documented in the Fraud and Corruption Risk Checklist.	Wider Leadership Team	Reviewed annually
3. Internal Controls	Senior Management Commitment	• Senior managers to demonstrate adherence to work procedures.	Leadership Team	Ongoing
		• Wider Leadership Team have observably high levels of fraud and corruption risk consciousness and commitment to controlling risks of fraud and corruption both by and against the entity as demonstrated through the development and implementation of the Fraud and Corruption Control policy and Plan and an annual review of the Fraud and Corruption Risk Checklist.	Wider Leadership Team	Ongoing
	Ethical Framework (including Code of Conduct)	• As per the *Local Government Act 2009* (s4) Council is expected to set the tone; overseeing that management has sound ethical related objectives and programmes.	Council	Ongoing
		• Leadership Team to develop strategies to effect Council's ethical direction (corporate and operational objectives); promoting and exemplifying ethical behaviour.	Council	
		• Wider Leadership Team to implement strategies, promoting, exemplifying and evaluating ethical behaviour in their areas of responsibility.	Leadership Team	

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ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		• Implementation of work practices and ethical standards for accredited agents, certifiers, etc. to be considered.	Wider Leadership Team	
		• All employees are required to undertake annual compliance training in respect to the Code of Conduct and the Fraud and Corruption Control Policy and Plan.	Leadership team	Annually
	Internal Controls	• Effective internal controls to be matched to specific risks and are to be regularly reviewed – refer Fraud and Corruption Risk Register/Checklist.	Wider Leadership Team	Every 2 years.
		• Internal policies and procedures to be documented and promoted to applicable employees.	Wider Leadership Team	Ongoing
		• Segregation of functions especially in regulatory, financial and cash handling areas.	Wider Leadership Team	31 December 2015
		• Supervisors to monitor adherence to work procedures and ensure training and advice is provided to employees on procedures where needed.	Wider Leadership Team	Ongoing
		• Delegations Register to be kept up to date and available to all employees.	Manager Workforce and Strategy	Ongoing
		• Where fraud and corruption risks are known to exist, work processes are to be clearly documented and available to Council employees.	Wider Leadership Team	Every 2 years
		• Recordkeeping to be monitored for adherence as per Council's recordkeeping, and information security policies.	Wider Leadership Team	Ongoing
		• Employees to be reminded annually to make appropriate declarations, and a Register of Interests to be maintained.	CEO	Annually

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
	Line Management Responsibility (as an internal control)	• Human Resources Management Delegations Policy and, Delegated Powers and Authorities.	Manager Workforce and Strategy	Ongoing
	Internal Audit	• Internal Audit to regularly review processes and provide recommendations for improved systems, working within relevant IPPF fraud guidance.	Audit and Business Improvement Committee	Ongoing
	Employment Screening	• Screening of potential new employees and existing employees transferring as per Council's Workforce and Strategy policies and procedures.	Manager Workforce and Strategy	Ongoing
	Third Party Due Diligence	• Relevant policies and procedures covering due diligence processes to be monitored and regularly reviewed, updated, and made available on The Hub and Council's website.	Manager Corporate and Technology Services	Ongoing
	Senior Management Commitment	• Governance committees to address fraud and corruption risk to be maintained: ○ Audit and Business Improvement Committee	Council	Ongoing
		• Committees to give due consideration to risks of fraud and corruption.	Committee Chairs	Ongoing
4. Employee Education and Awareness	Fraud Awareness	• Education and training programme including: ○ Code of Conduct ○ Public Interest Disclosures ○ Reporting corrupt conduct ○ Fraud prevention training ○ Organisational wide awareness of relevant policies and procedures.	Wider Leadership Team	Ongoing
		• Developing and promulgating materials to enhance fraud awareness.	Manager Workforce and Strategy	Ongoing
		• Policies and procedures and other employee processes and information to be available on The Hub.	Wider Leadership Team	Ongoing

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		• Office of the CEO, and Workforce and Strategy to maintain a communications plan for fraud and corruption awareness.	CEO	Ongoing
	Line Management Accountability (self-awareness, and education of others)	• Line Management responsibility awareness is incorporated into supervisor training.	Wider Leadership Team	Ongoing
	Fraud Awareness	• Induction training attendance.	Manager Workforce and Strategy	Ongoing
5. Client and Community Awareness	Fraud Awareness	• The Hub to include relevant policies.	Wider Leadership Team	30 June 2015
		• Fraud and corruption prevention control to be referred to in relevant corporate reports and publications.	CEO	Ongoing
		• Council to advise external parties who have dealings with Council about Council's Fraud and Corruption Control Policy and any other relevant policies/procedures.	Manager Corporate and Technology Services	Ongoing
	Right to Information and Privacy Requests	• Requests for information on The Plan to be actioned promptly.	Manager Corporate and Technology Services	Ongoing
		• Required information to be published on Council's website.	Manager Corporate and Technology Services	Ongoing

5.4   Detection

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
1. Internal Controls	Line Manager Accountability	• Specific functional area processes, guidelines, instructions and risk assessment to be complied with.	Wider Leadership Team	Ongoing
		• Ongoing awareness and training of work processes to be provided.	Wider Leadership Team	Ongoing
	Fraud Detection Programme	• Recognising deviations or exception in outcomes from expectations.	Wider Leadership Team	Ongoing
		• Monitoring key indicators (red flags) of potential fraud and corruption through the Fraud and Control Risk Checklist.	Wider Leadership Team	Ongoing
2 Public Interest Disclosures	Fraud Reporting Systems	• Implement Public Interest Disclosure Policy and Procedure as per *Public Interest Disclosure Act 2010.*	CEO	Completed
		• Employees to adhere to policy and procedures.	Wider Leadership Team	Ongoing
3 Investigations	Investigations	• As per Council's Investigation Policy and Procedure.	Manager Workforce and Strategy	Ongoing
4. Internal Reporting	Fraud Reporting Systems	• Compliance with Reporting Official Misconduct Policy and Procedure.	All Employees	Ongoing
		• Performance Achievement - Employee Policy to be kept up to date and regularly reviewed.	Manager Workforce and Strategy	Ongoing
		• Employees to adhere to policy and procedures.	Wider Leadership Team	Ongoing
		• Culture of reporting to be supported and promoted through induction, training, The Hub, organisational planning, policies and procedures.	CEO	Ongoing
		• Annual Audit Plan to be risk based taking into account risks documented in risk	Audit and Business Improvement	Ongoing

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		registers. • Internal Audit to consider fraud and corruption as part of the audit scope.	Committee	
		• Council (Wider Leadership Team) to respond promptly to audit findings and recommendations.	CEO/Audit and Business Improvement Committee	Ongoing
	Line Manager Responsibility	• Organisational structure to be supported through adherence to official delegations and proper and full use of supervisory reporting relations.	Wider Leadership Team	Ongoing
		• All suspected instances of corrupt conduct are required to be reported in line with Council policy.	All Employees	Ongoing

5.5   Response

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
1 Risk Assessment	Fraud Risk Assessment, and Fraud Reporting Systems	• All incidences of alleged fraud and/or corruption to be reported as a risk incident and recorded in the Risk Register/Fraud and Corruption Checklist.	Wider Leadership Team	Ongoing
2. Internal Controls	Fraud Risk Assessment/ Fraud Reporting Systems	• Review as necessary: ○ Fraud and Corruption Checklist ○ Council reporting • Council evaluation.	GM Corporate Services/Audit and Business Improvement Committee.	Ongoing
	Fraud Control Strategy, and Internal Controls	• Policies and procedures to be reviewed: ○ Taking into account recent risk incidents ○ In response to recommendations by Internal Auditor.	Leadership Team relevant to area of responsibility	Ongoing
	Internal Control (Insurance)	• Review of insurance coverage to consider fraud aspect (eg.	Manager Corporate and Technology Services	Completed

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ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		Industrial Special Risk Policy; Fidelity Guarantee, etc.).		
3. Employee Education and Awareness	Fraud Awareness	• Awareness of internal controls/prevention mechanisms to be reinforced through training on any new processes or procedures.	Wider Leadership Team	Ongoing
		• Council stance on fraud and corruption to be stated in relevant corporate communications.	CEO	Ongoing
4. Public Interest Disclosures	Fraud Reporting Systems	• Obligation to protect a person making a disclosure from reprisals	All supervisory employees	Implemented
5 Investigations	Investigations	• As per Council's Investigation Policy and Procedures.	Industrial Relations and Investigations Supervisor	Implemented
	Internal Control	• Appropriate independent, qualified investigation resource/s to be available.	Manager Workforce and Strategy	Implemented
6 Internal Reporting	Fraud Reporting Systems and Fraud Risk Assessment	• Risk incidents and quarterly risk reporting documents to be used in identifying risks, reviewing Council's risk profile and identifying risk mitigation strategies.	Manager Workforce and Strategy	Implemented
		• Internal Audit and Audit and Business Improvement Committee to be copied on all fraud reporting data and systemic trends.	Manager Workforce and Strategy	Ongoing

7 External Reporting	Fraud Reporting Systems	• Legislative reporting to:
		  o CCC (corrupt conduct)
		  o Queensland Police Service/Director Public
			CCC Liaison Officer, Manager Workforce and Strategy	Ongoing

ELEMENT	ATTRIBUTE	ACTION PLAN	OVERSIGHT	TIME FRAMES
		Prosecutions (fraud from corrupt/criminal conduct) ○ Queensland Audit Office (fraud involving finances or assets) ○ Queensland Ombudsman.		
		• Fraud and corruption matters to be reported in the Annual Report.	CEO	Implemented
	Internal Control (External Audit [QAO])	• External auditing and financial statements to be consistent with relevant or applicable Standards.	Audit and Business Improvement Committee	Implemented
8 Investigation	Fraud Control Strategy	• Policies and procedures to be implemented for dealing with suspected corrupt conduct.	GM Corporate Services	Completed
9 Internal Reporting & External Reporting	Fraud Reporting System	• Entities should maintain a process for the capturing, reporting, analysis and escalation of all detected fraud and corruption incidents.	Manager Workforce and Strategy	Implemented
		• A fraud and corruption register should be maintained on all incidents reported	Manager Workforce and Strategy	Implemented
10 Internal Controls	Internal Control	• Any systemic matters or where specific internal controls are deemed to be deficient as identified through an investigation these inadequacies will be referred to the Internal Auditor for appropriate rectification action.	Manager Workforce and Strategy	Ongoing

6   **Review Timelines:**

This guideline will be reviewed when any of the following occur:

6.1   The related information is amended or replaced; or

6.2   Other circumstances as determined from time to time by the General Manager.

7   **Responsibilities:**

Sponsor	Chief Executive Officer
Business Owner	General Manager Corporate Services
Guideline Owner	General Manager Corporate Services
Guideline Quality Control	Corporate Improvement and Strategy

ROSS CHEESMAN
GENERAL MANAGER CORPORATE SERVICES

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ATTACHMENT 1

Fraud and Corruption Risk Examples
(not exhaustive)

Fraud:
- Theft of Council property or resources including inventory or cash
- Theft or misuse of information for personal or other gain
- Abuse of position or discretion such as acceptance of gifts, or, bribes to gain some form of financial advantage or facilitate a specific outcome
- Obtaining by deceit, benefits to which the recipient is not entitled (eg. improper reimbursement of travel allowances/expenses/false accounting).
- Credit card fraud
- Evasion of payments owing to Council
- False invoicing
- Falsifying timesheet claims, or misrepresenting time/work commitments
- Abusing Council assets or facilities for gain
- Altering signatures or other information and materials to mislead or misrepresent Council's position or hide wrongdoing
- Destruction or removal of records without approval to conceal fraudulent activity or for personal gain.

Corruption:
- Collusive tendering
- Serious conflict of interest involving senior management of Council acting in their own self-interest
- Nepotism or cronyism where the appointee is inadequately qualified to perform the role they have been appointed to
- Release of confidential information in exchange for a non-financial benefit or advantage
- Payment of solicitation of donations for an improper political purpose
- Payment or receipt of secret commissions which may be paid in money or some other form of value to influence the outcome of a specific decision or action, or actions generally over a period of time.

Additional relevant examples were identified in Qld Health's *The Guide to Fraud and Corruption Control (The Plan); version no. 20, document number # QH-GDL-295-1-1:2012:*
1. **Correspondence, Information Management and Information Technology**
   - A former employee obtaining confidential information and providing it to a new employer to aid their dealings with [Council].
   - An employee providing private information contained on a secure [Council] computer network to a third party to gain an advantage when dealing with [Council].
   - An employee leaking politically sensitive information obtained through the performance of their work to a member of the public or another stakeholder, such as the media.
   - An employee using private/personal information obtained through the performance of their work for private purposes such as debt collection, intimidation or stalking.
   - Electronically creating fraudulent documentation and providing it to a member of the public to gain a benefit.
   - Altering or deleting electronic data held on [Council's] systems to prevent evidence of other wrongdoing from being detected or to aid a third party.
   - Taking advantage of temporarily inoperative, or partially operative, system to act in a corrupt way.
   - Placing malware (eg: spyware or viruses) on [Council's] systems in an attempt to damage software or information held on the system.
   - Using another employee's computer and/or log-in.
   - Gaining access to electronic records without proper authority or approval.

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- An Information Technology (IT) contractor providing information about [Council's] information technology system to a third party who uses the information to launch a successful attack on [Council's] systems.
- An IT contractor building a 'back door' into information technology system/s that enable inappropriate secret access to alter or delete [Council's] electronic data and records.

2. Delegations
- Using delegated authority to make a decision for corrupt purposes (eg. wrongful dismissal of an employee or taking unlawful disciplinary action).
- Acting outside you delegation for fraudulent or corrupt purposes.
- Supervisor/manager signing off on fraudulent overtime claims.

3. Facilities and Public Resources
- Taking resources, such as office supplies, stationery or equipment, home for personal use, or to sell for personal benefit.
- Unauthorised use of a motor vehicle.
- Responsibility for arranging the disposal of goods and directing the contractor to make the payments directly to them instead of [Council].
- Destroying financial or administrative written or electronic records pertaining to the disposal of [Council] goods or resources to cover their own corrupt activities.
- Deliberately over-ordering resources to use the surplus for personal gain.

4. Finance
- Manipulating the financial system to make payments to a non-existent supplier and indirectly to their own financial account.
- Colluding with a supplier to produce an invoice price that is higher than necessary in order to receive a payment or some other benefit.
- Approving invoices for private expenses or colluding to do so for others.
- Submitting a false travel or petty cash claim and receiving a benefit to which not entitled by contravening a relevant [Council] policy or procedure.
- Purchasing goods or services by using [Council] resources for private use.
- Senior management inflating balance sheet values to cover up poor performance or mistakes.
- Failing to record purchases properly to misappropriate cash.
- Being bullied, harassed, or threatened to misappropriate case or avoid proper payment for a good or service by a third party.
- Charging personal expenses to a [Council] corporate credit card.
- Falsifying, destroying, or damaging receipts and other financial records.
- Misusing Cabcharge vouchers for personal use or profit.
- Improperly disclosing personal or banking details to a third party.

5. Human Resource Management
- Manipulating recruitment and selection procedures to secure the appointment of an associate, close friend, or family member.
- Management promoting, engaging, or giving an employee advantage over others for personal reasons.
- Management unfairly disadvantaging, bullying, intimidating, or discriminating against employees for personal reasons (eg. unlawful use of power in personal conflicts).
- A selection committee appointing members to the selection panel whom they can influence in order to ensure their favoured and less meritorious candidate will be selected.
- Management taking detrimental action against employees who report official misconduct or maladministration.
- An employee or applicant for a [Council] advertised position falsifying qualifications, employment history, or reference to enhance their prospects of securing the position.

- Management knowingly concealing the corrupt conduct of subordinate employees.

6. **Legal and Contractual Compliance**
   - Failure to declare a conflict of interest but continuing to deal with a close associate in exercising your function (eg. recruitment of an employee).
   - Solicits or accepts a bribe in order to exercise, or not exercise, authority in a certain way.
   - Accepting or soliciting a bribe or secret commission form a tenderer to give partial consideration to them.
   - Identifying too closely with the interests of a joint venture partner subsequently leading to a failure to properly monitor the quality of the work performed.

7. **Regulatory Compliance**
   - Issuing a license to an individual or business based on factors other than objective assessment criteria (eg. personal relationship).
   - Deciding or recommending not to pursuing prosecution because of a personal relationship with the person or business in breach of legislation.
   - Choosing not to audit a person or business because of a relationship with that person or business.

8. **Procurement**
   - Providing commercial-in-confidence information to a tenderer resulting in them obtaining an unfair advantage over other tenderers in the tender process.
   - Knowingly making payments on fraudulent procurement related claims.
   - Colluding with a supplier of goods/services to [Council] for personal gain.
   - Obtaining kickbacks by organising preferential treatment.
   - Not declaring an existing relationship or secondary employment with a tenderer for that contract and seeking to unfairly influence the decision making process.

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9   STRATEGIC REPORTS

9.1   RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015

File No:	8780
Attachments:	1. **Corporate Risk Register including Quarterly Update as at 30 January 2015**
	2. **Office of the CEO Risk Register - Quarterly Update as at 30 January 2015**
	3. **Community Services Risk Register - Quarterly Update as at 30 January 2015**
	4. **Corporate Services Risk Register - Quarterly Update as at 30 January 2015**
	5. **Regional Services Risk Register - Quarterly Update as at 30 January 2015**
Authorising Officer:	**Drew Stevenson - Manager Corporate and Technology**
	Ross Cheesman - General Manager Corporate Services
Author:	**Kisane Ramm - Risk Management Officer**

SUMMARY

Presenting the quarterly departmental risk register updates as at 30 January 2015 and the Corporate Risk Register, which is being presented to this Committee for the first time post Council adoption.

OFFICER'S RECOMMENDATION

THAT the quarterly risk register updates as at 30 January 2015 and the Corporate Risk Register, as presented in the attachments to this report, be received.

COMMENTARY

Council's Enterprise Risk Management Framework identifies that the Audit and Business Improvement Advisory Committee provides specialist high level advice and oversight with respect to matters of risk and control; and is to advise Council of its findings and recommendations including risk management matters. It further requires that quarterly risk register reports are to be presented to Council, where possible through the Audit and Business Improvement Advisory Committee, consisting of:

- all risks with high and very high current risk ratings; as well as

- any risk, regardless of their risk rating, that have been identified as requiring treatment.

For the purpose of identifying any proposed changes:

- any updates have been made in red text and dated;

- if the registers are adopted unchanged as they are presented, the next time the register is presented the newer dated information will take the place of the older dated information. If the older information is not dated, the newer dated information will be added to the existing text.

The quarterly updates of the risk registers as at 30 January 2015, attached, were intended for presentation to the 24 February 2015 Performance and Service Committee meeting. However, due to TC Marcia this report was held-over for the 10 March 2015 Council Meeting. This is the second quarterly update for the Departmental Risk Registers.

Given the Corporate Risk Register was adopted by Council in December 2014, this is the first time this Committee will have been presented the Corporate Risk Register and as such it is being presented in its entirety.

BUDGET IMPLICATIONS

In some cases the proposed risk controls may have budget and resourcing impacts.

LEGISLATIVE CONTEXT

The Local Government Regulation 2012, Chapter 5, Section 164 requires…*(1) a local government must keep a written record stating (a) the risks the local government's operations are exposed to…; and (b) the control measures adopted to manage the risks.*

CORPORATE/OPERATIONAL PLAN

There is a strong link between the Corporate/Operational Plans and the enterprise risk management process, as without objectives there are no risks. In undertaking risk assessments, the Corporate and Operational Plans were used as the starting point in identifying the organisation's risks with the linkages noted in column B of the risk registers.

CONCLUSION

The quarterly review of the risk registers having been conducted by the relevant Managers and Leadership Team are now presented for the Committee's consideration. The recently adopted Corporate Risk Register is also presented to the Committee.

RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015

Corporate Risk Register including Quarterly Update as at 30 January 2015
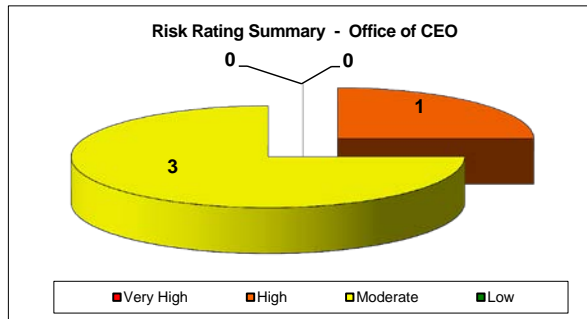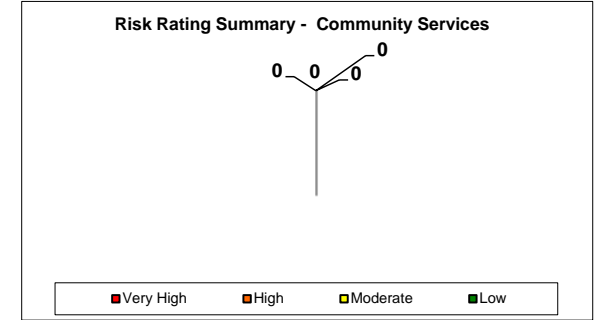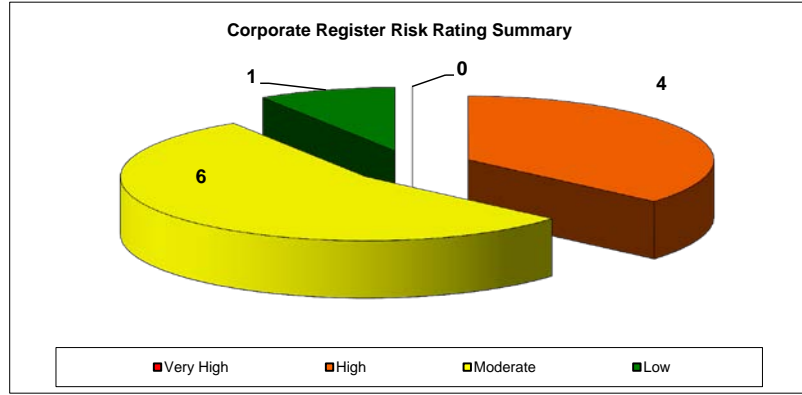
Meeting Date: 20 March 2015

Attachment No: 1

		IDENTIFY RISKS and EXISTING CONTROL EFFECTIVENESS						RISK ANALYSIS				RISK EVALUATION & FURTHER RISK TREATMENT	FUTURE CONTROL & RISK TREATMENT PLANS							Risk Assurance				
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T				
Risk Identification	Links To Planning	Risk/Failure (including consequence/s)	Risk Categories	Risk Causations	Existing Controls Implemented By Risk Owner	Control Effectiveness	Control Owner/s	Rate the Consequence	Rate the Likelihood	CURRENT RISK RATING	Potential Exposure Rating	Risk Evaluation (don't proceed to Column N if risk is accepted)	Future Risk Control/s	Control Implementation/Monitoring	Resource/Budget Needed	Performance/Constraints	% Complete	Completion Date	To be completed by Risk Owner	Section / Unit	Risk Owner	Dept	MANAGEMENT'S COMMENTS/NOTES ON ANY CHANGES TO BE MADE TO DETAILS IN COLUMNS B - P, S and/or U - W
7	REG P 5	Council does not consider and plan for our region's future sustainable development to address community and economic needs resulting in non-compliance with relevant legislation, possible legal action, lost economic opportunities and damage to council's reputation.	Assets/Property	(1) Council's Planning scheme fails to adequately take into consideration changing weather patterns in terms of occurrence and intensity of weather events. (2) Council does not respond to sustainable development opportunities in a timely manner. (3) Lack of or inadequate response to economic and / or infrastructure development opportunities.	(1) Council's *Rock e Plan* planning scheme has taken into account a level of 'climate change'. (2) The *Rock e Plan* planning scheme reflects the current knowledge of economic opportunities. (3) The Local Government Infrastructure Plan addresses growth forecast in the Rock e Plan planning scheme.	4.Substantially Effective	Manager Planning	3	B	Moderate 6	3. Moderate	Accept Risk (ALARP)									GM Regional Services	Regional Services	
1	CEO D 1	Council processes and services are provided without due recognition of economy, efficiency and effectiveness (value for money) exposing Council to increased costs, loss in reputation and ratepayer confidence and impacting service delivery.	Business Process	(1) Poor asset management planning (2) Value for money principles have not been fully integrated into council operations. (3) Lack of established systems and mechanisms in the planning and acquisition phase to assess value for money and ensuring return on investment. (4) Too much weighting on the purchase price as compared to total lifecycle cost and other impediments. (5) Lack of robust forward financial plans.	(1) Established Asset Management plans. (2) Non-priced based selection criteria included in the tender / quote assessment process to assist in the value for money assessment. (3) Tender evaluation plans with weighted selection criteria assessment that does not rely on price as having the highest weighting. (4) Capital Projects evaluation process includes whole of life cycle cost considerations. (4.2) Fleet asset assessment utilises a whole of life cost model as part of the acquisition and operations process. (5) Long term financial forecasts based around asset management plans adopted.	4.Substantially Effective	GM Corporate Services; Manager Finance; Manager Corporate and Technology Services	4	B	High 5	4. Major	Accept Risk (ALARP)								GM Corporate Services	Corporate Services	
2	CORP CT 7	Non-existent or inadequate business continuity initiatives leading to prolonged service / process disruptions resulting in adverse community reactions and possible financial loss.	Business Process	(1) Lack of a business continuity framework and effective business continuity planning. (2) Untested / failed business continuity plans.	Business Continuity Plans for the more critical areas have been developed: - ITS (business continuity; and disaster recovery) - Records (business continuity and disaster preparedness) - Customer Service - Fleet - Procurement and Logistics - Property and Insurance - Airport (partially done - business recovery documentation yet to be done) - FRW	4.Substantially Effective	Extended Leadership Team	3	C	Moderate 5	4. Major	Treat Risk	1. Business Continuity Framework to be developed and used to draft standardised Sectional BCPs. 2. Additional continuity plans to be implemented across the organisation. 3. Regular review and testing required.	Manager Corporate and Technology Services (1); GM Corporate Services; GM Regional Services; GM Community Services	Additional resources required.	Constraint - Lack of Resources.	80%	30/06/2016		CEO	Office of CEO	20/1/15 - Corporate Services - in place but includes LSC (to be updated during the course of the year). Airport - non airside needs documentation completed (by Dec 15).
9	CORP F 1- 5	Council's financial operations fail to support and sustain Council's service provision, financial sustainability and the community's expectations resulting in revenue shortfalls, increased debt, reduced service levels, loss of reputation and community discontent.	Financial	(1) Council's Long Term Financial Strategy does not reflect the financial requirements of Council's strategic planning. (2) Failure to adhere to Council's Long Term Financial Strategy. (3) Inadequate asset management planning. (4) Inadequately qualified, trained or supervised Finance Services staff. (5) Council does not obtain the funding required (State and Federal) to develop infrastructure to support our region's economic / infrastructure development. (6) Council's financial operations lack adequate controls, processes and procedures and are not adequately reviewed or responded to by Council or management. (7) Poor project planning and oversight.	(1) Council's Long Term Financial Forecast includes forecasts from asset management plans. (2) Long Term Financial Forecasts are reviewed annually. (3) Asset Management Plans reviewed regularly. (4) Finance staff are adequately qualified as per the respective Position Descriptions. (5) Council lobbies other levels of government for appropriate grants and subsidies. (5) Council financially operates in a surplus position. (6) Financial controls are monitored. Finance also works closely with Internal and External Audit in regards to internal controls. (7) Project Delivery procedure developed.	4.Substantially Effective	GM Corporate Services; Manager Finance	4	B	High 5	5. Catastrophic	Accept Risk (ALARP)								GM Corporate Services	Corporate Services	
6	CORP CT 5	Council fails to develop, implement and maintain strategies for managing information and communications systems targeting operational management, knowledge transfer and performance improvements resulting in ineffective service delivery, negative impacts on corporate objectives, financial loss and reputational damage.	Information	(1) Poor or non-existent information systems governance framework, policies and asset management strategies. (2) Not delivering an adequate IT and Communication (eg: network, two way radio, telephony, etc) platform for the whole of Council. (3) Council's IT and hardcopy record storages are not adequately secure and protected including from cyber attack. (4) Not addressing a council wide culture of poor communication including across sections and departments. (5) Community consultation and communication is not effective. (6) Inadequate whole of council customer service response.	(1) Suite of IT and Communication policies implemented. (2) IT Strategic Plan implemented. (1) Established IT governance framework and processes. (1-6) Performance monitoring for effectiveness.	4.Substantially Effective	Manager Corporate and Technology Services	3	B	Moderate 6	4. Major	Accept Risk (ALARP)								GM Corporate Services	Corporate Services	
10	CEO D 1	Actions of Council, Councillors or employees that fail to meet the standards of behaviour outlined in the Local Government Act, Council's Code of Conduct and other associated policies or procedures resulting in damage to Council's reputation, financial losses and regulatory breaches against Council or individuals.	Legal	(1) Inadequate fraud and corruption prevention systems are implemented and monitored by Council. (2) Lack of awareness regarding obligations and responsibilities relating to applicable legislation, and Council's Code of Conduct, policies and procedures. (3) Failure to declare material interest or conflict of interest in relation to duties and responsibilities. (4) Inappropriate use or unauthorised public release of confidential or private information. 30/1/15: (4) Inappropriate use or unauthorised release of information.	(1-4) Policy implemented. (3) Controls within Local Government Act and policy. (2-3) Training in obligations undertaken. 30/1/15: (4) Management's ongoing review/update of authorisations and delegations (including signing of correspondence)	4.Substantially Effective	CEO	4	C	High 4	5. Catastrophic	Treat Risk	(1) Conduct fraud and corruption risk assessment across the organisation.	GM Corproate Services	Exisiting		90%	30/03/2015		CEO	Office of CEO	20/1/15 - Fraud and Corruption Control Policy and Plan will be presented to the next Audit and Business Improvement Committee. This Plan has been based on the Australian Standard (8001-2008) for Fraud and Corruption Control as well as work implemented by Gold Coast City Council. This also includes a checklist for practical application.
11	CEO D 1	Council does not provide adequate oversight and ongoing monitoring to ensure its operations are properly undertaken in accordance with requisite laws and regulations resulting in breach of legislation, possible legal sanction, financial loss and loss of public confidence.	Legal	(1) Compliance monitoring is ad-hoc and fragmented. (2) The volume of new legislation or legislation amendments applying to Council's impacts on Council's ability to fully meet their obligations. (3) Inadequate leadership and management practices. (4) Inadequate training and organisational development to create an awareness of the ever changing legislative landscape.	(1) Reporting structures in place to ensure compliance monitoring. (1) Council committees including Audit and Business Improvement Advisory Committee proved high level monitoring. (2) Monitoring of legislative changes is undertaken with an external service provider and LGAQ. (3) Staff are appropriately employed and trained. (4) Programs are in place to provide training to staff, where required, to meet the changes in legislation.	4.Substantially Effective	CEO	3	C	Moderate 5	4. Major	Accept Risk (ALARP)								CEO	Office of CEO	

		IDENTIFY RISKS and EXISTING CONTROL EFFECTIVENESS						RISK ANALYSIS				RISK EVALUATION & FURTHER RISK TREATMENT	FUTURE CONTROL & RISK TREATMENT PLANS							Risk Assurance			
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T			
Risk Identification	Links To Planning	Risk/Failure (including consequence/s)	Risk Categories	Risk Causations	Existing Controls Implemented By Risk Owner	Control Effectiveness	Control Owner/s	Rate the Consequence	Rate the Likelihood	CURRENT RISK RATING	Potential Exposure Rating	Risk Evaluation (don't proceed to Column N if risk is accepted)	Future Risk Control/s	Control Implementation/Monitoring	Resource/Budget Needed	Performance/Constraints	% Complete	Completion Date	To be completed by Risk Owner	Section / Unit	Risk Owner	Dept	MANAGEMENT'S COMMENTS/NOTES ON ANY CHANGES TO BE MADE TO DETAILS IN COLUMNS B - P, S and/or U - W
3	CORP WS 1	A legislatively compliant SafePlan is not implemented, monitored and reviewed effectively, for the whole of council, its workers and contractors, to achieve the acceptable compliance level with annual WH&S audits resulting in: increased worker injuries, legislative breaches/legal action, reputational damage, reduced service levels, increased costs and non-compliance with a key council objective.	People	(1) A WHS Management System Plan is not developed and implemented. (2) WHS Management System implementation and/or review, is not effective or timely - done on an ad hoc basis by management, WHS staff and internal/external auditors. (3) Council WHS policy/procedures/documentation/guidelines are not effective, or lacking, to guide the processes. (4) Management not driving safety compliance throughout Council with breaches not acted on. (5) Staff are not aware of their responsibilities relating to: legislation requirements; review; and monitoring; due to poor training. (6) Supervision and monitoring of staff and contractor/preferred supplier contract/tenders, including site inspections, is inadequate. (7) Lack of understanding, engagement and actual practice of safe working methods by staff and contractors. (8) Ineffective recording of, and timely action on, incident/complaint investigation and hazard inspection findings. (9) Ineffective IT systems to support safety program data creating difficulties in identifying safety incident trends or other analysis. (10) Legislation incorrectly interpreted.	(1) WHS Management System Plan developed and implemented. (2) Conduct annual review of WHS Management System. (2) Weekly reporting to Manager W&S from Safety and Training Coordinator on progress of Safety Management System implementation. (3) Council policy/procedures implemented and reviewed to reflect staff/management requirements regarding WHS Act 2011/Regs. (3) Contractor/Preferred Supplier Control procedures and associated documents have been reviewed and implemented in consultation with Procurement and Logistics. (4) CEO's commitment to safety is communicated to staff via the signed and dated "Workplace Health and Safety Policy Statement". (4 & 8) Incident reports and inspections are reported on and where approved investigations are competed to improve compliance. Timeframes are monitored for investigation completion rate. (5, 3, 6) Monthly Action Plans have been developed and implemented for each Department to ensure compliance with WHS Management System Plan (6) WHS staff levels reviewed 2013 with de-amalgamation process including Coordinator/Supervisors roles and ; Leadership Training Program developed. (7) Site visits, including Toolbox Talks, taking lace by WHSAs. Includes reviews of SWMS used on site and providing instruction/guidance where needed/requested. (9) Data currently collated and analysed using spreadsheets and presented as trends at PEAK Safety Committee Meeting. (10) Legislation interpretation conducted in consultation with all WHS Team members. Where issues with interpretation arise external assistance is requested from competent persons (regulators). (1-8) Annual audits conducted. (1-8) Implementation of the Rectification Action Plan (RAP) from audits.	4.Substantially Effective	Manager Workforce and Strategy	2	B	Low 7	5. Catastrophic	Accept Risk (ALARP)								Workforce and Strategy/ Safety and Training	GM Corporate Services	Corporate Services	
4	CORP WS 4	Ineffective workforce planning leading to potential skills gaps in the workforce, poor staff retention, decreasing staff satisfaction and welfare, higher wage costs, and failure to meet the operational needs of Council.	People	(1) Lack of an effective workforce planning framework, including succession planning. (2) Specialised skill sets and matching remuneration can be hard to come by in regional areas. (3) Training needs analysis not done and matched with compliance/corporate training programs. (4) The adopted budget doesn't allow all staff's training/skill development needs to be covered to the extent needed to meet operational needs.	(2) Outsourced support available from some Vendors/Contractors in times of need to reduce impact. (2) Innovation in recruiting from outside of the region or overseas. (1-4) RRC committed to trainee/apprentice trades training. (1-4) Training unit providing appropriate training such as Leadership Program. (1, 3, 4) Multi-skilling/cross-skilling, succession planning strategies.	4.Substantially Effective	Extended Leadership Team	2	C	Moderate 6	3. Moderate	Accept Risk (ALARP)								Workforce and Strategy/ Safety and Training	GM Corporate Services	Corporate Services	
8	REG E 2	Identified Disaster Mitigation Strategies not actioned resulting in increased impact/effect of disaster events on the community and potential for increased costs to Council in recovery and restoration costs.	People	1. Lack of monitoring and review of disaster mitigation strategies. 2. Costs of, and budget restraints in, implementing disaster mitigation strategies.	(2) Identified disaster mitigation strategies implemented where possible within disaster management budget. (2) Appropriate funding opportunities identified and sourced to implement identified disaster mitigation strategies.	3.Partially Effective	GM Regional Services	4	B	High 5	4. Major	Treat Risk	(1) Annual review and report on implementation of disaster mitigation strategies. (2) Forward works program to be developed for disaster mitigation strategies to be submitted through Council's project evaluation and management system (PEMS) process, and for Natural Disaster Relief and Recovery Arrangements (NDRRA) funding applications.	Disaster Management Officer	Budgets for project specific mitigation strategies.	Funding and resources	50%	01/07/2015			GM Regional Services	Regional Services	
5	CORP WS 7	Not providing strong governance / leadership practices to support the achievement of Council's goals and objectives resulting in; key milestones throughout the strategic planning cycle not being consistently achieved, an inconsistent approach to implementing governance frameworks, community dissatisfaction with council direction and service level, budget delays & impacts.	Strategic	(1) Framework and communication interdependencies are not effective preventing the required alignment of council's strategic planning; including the long term financial strategy, corporate and operational plans, asset management plans, risk treatment and the budget. (2) Poor management oversight and communication. (3) Staff are not adequately trained or aware of their duties and responsibilities in achieving Council's corporate and operational objectives. (4) Governance policies and procedures are inadequate or not understood. (5) Limited external review of council's governance process and practices have been undertaken.	Legislation Council and Committee structure (decision making processes) Adopted Organisational structure. Adopted corporate strategies and operational plans. Adopted financial and asset management plans. Leadership Team and Extended Leadership Team meeting and communications program. Adopted policies & procedures. Adopted leadership development program. Internal Audit and External Audit oversight. Monthly reporting and monitoring program. Advocacy resources	4.Substantially Effective	Council; CEO; Extended Leadership Team	3	B	Moderate 6	4. Major	Accept Risk (ALARP)									CEO	Office of CEO	

ERM RISK SUMMARY REPORT
Corporate Risk Profile

Corporate Register Risk Rating Summary

1   0   4

6

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Corporate Services

1   0

2   2

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Community Services

0   0   0   0

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Office of CEO

0   0

1

3

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Regional Services

0   0

1   1

- Very High
- High
- Moderate
- Low
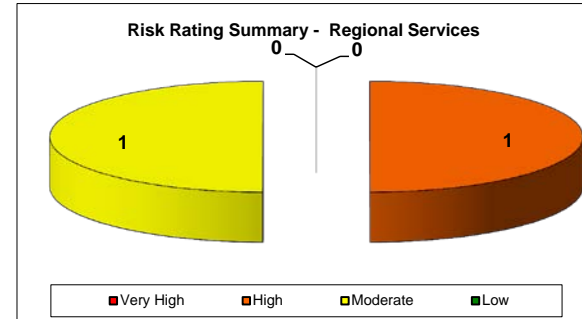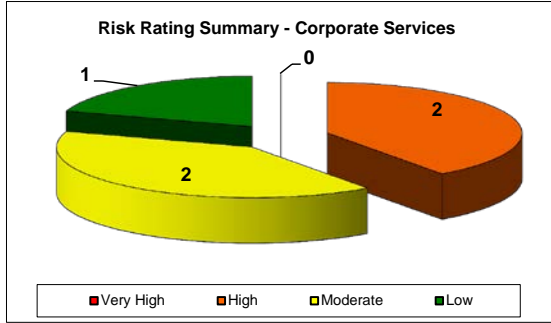
CORPORATE RISK

Risks - 'Very High' and 'High'

Risk No.	Risk	Current Risk Rating	Current Controls	Risk Evaluation
1	Council processes and services are provided without due recognition of economy, efficiency and effectiveness (value for money) exposing Council to increased costs, loss in reputation and ratepayer confidence and impacting service delivery.	High 5	(1) Established Asset Management plans. (2) Non-priced based selection criteria included in the tender / quote assessment process to assist in the value for money assessment. (3) Tender evaluation plans with weighted selection criteria assessment that does not rely on price as having the highest weighting. (4) Capital Projects evaluation process includes whole of life cycle cost considerations. (4.2) Fleet asset assessment utilises a whole of life cost model as part of the acquisition and operations process. (5) Long term financial forecasts based around asset management plans adopted.	Accept Risk (ALARP)
8	Identified Disaster Mitigation Strategies not actioned resulting in increased impact/effect of disaster events on the community and potential for increased costs to Council in recovery and restoration costs.	High 5	(2) Identified disaster mitigation strategies implemented where possible within disaster management budget. (2) Appropriate funding opportunities identified and sourced to implement identified disaster mitigation strategies.	Treat Risk
9	Council's financial operations fail to support and sustain Council's service provision, financial sustainability and the community's expectations resulting in revenue shortfalls, increased debt, reduced service levels, loss of reputation and community discontent.	High 5	(1) Council's Long Term Financial Forecast includes forecasts from asset management plans. (2) Long Term Financial Forecasts are reviewed annually. (3) Asset Management Plans reviewed regularly. (4) Finance staff are adequately qualified as per the respective Position Descriptions. (5) Council lobbies other levels of government for appropriate grants and subsidies. (5) Council financially operates in a surplus position. (6) Financial controls are monitored. Finance also works closely with Internal and External Audit in regards to internal controls. (7) Project Delivery procedure developed.	Accept Risk (ALARP)
10	Actions of Council, Councillors or employees that fail to meet the standards of behaviour outlined in the Local Government Act, Council's Code of Conduct and other associated policies or procedures resulting in damage to Council's reputation, financial loses and regulatory breaches against Council or individuals.	High 4	(1-4) Policy implemented. (3) Controls within Local Government Act and policy. (2-3) Training in obligations undertaken. 30/1/15: (4) Management's ongoing review/update of authorisations and delegations (including signing of correspondence)	Treat Risk

Risks Requiring Further Treatment (ALL)

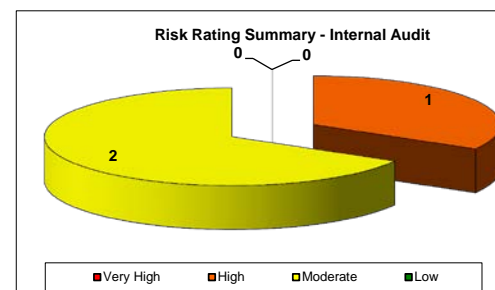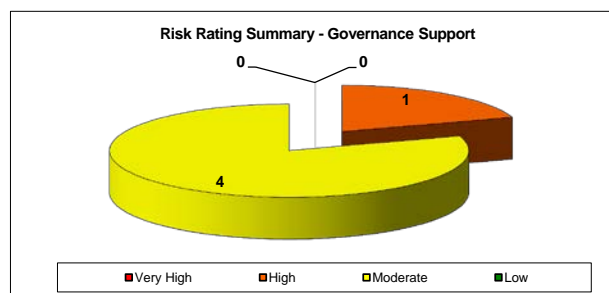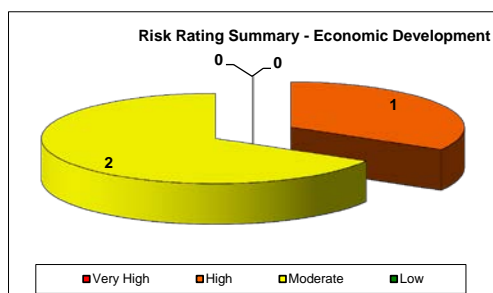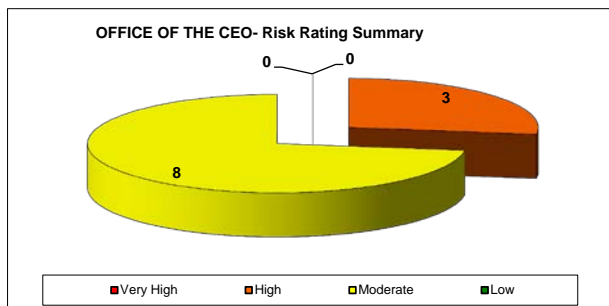| Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Management's Comments	
2	Non-existent or inadequate business continuity initiatives leading to prolonged service / process disruptions resulting in adverse community reactions and possible financial loss.	Moderate 5	1. Business Continuity Framework to be developed and used to draft standardised Sectional BCPs. 2. Additional continuity plans to be implemented across the organisation. 3. Regular review and testing required.	Additional resources required.	Constraint - Lack of Resources.	80%	30/06/2016	20/1/15 - Corporate Services - in place but includes LSC (to be updated during the course of the year). Airport - non airside needs documentation completed (by Dec 15).	Office of CEO
8	Identified Disaster Mitigation Strategies not actioned resulting in increased impact/effect of disaster events on the community and potential for increased costs to Council in recovery and restoration costs.	High 5	(1) Annual review and report on implementation of disaster mitigation strategies. (2) Forward works program to be developed for disaster mitigation strategies to be submitted through Council's project evaluation and management system (PEMS) process, and for Natural Disaster Relief and Recovery Arrangements (NDRRA) funding applications.	Budgets for project specific mitigation strategies.	Funding and resources	50%	01/07/2015	0	Regional Services
10	Actions of Council, Councillors or employees that fail to meet the standards of behaviour outlined in the Local Government Act, Council's Code of Conduct and other associated policies or procedures resulting in damage to Council's reputation, financial loses and regulatory breaches against Council or individuals.	High 4	(1) Conduct fraud and corruption risk assessment across the organisation.	Exisiting	0	90%	30/03/2015	20/1/15 - Fraud and Corruption Control Policy and Plan will be presented to the next Audit and Business Improvement Committee. This Plan has been based on the Australian Standard (8001-2008) for Fraud and Corruption Control as well as work implemented by Gold Coast City Council. This also includes a checklist for practical application.	Office of CEO

RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015

Office of the CEO Risk Register - Quarterly Update as at 30 January 2015

Meeting Date: 20 March 2015

Attachment No: 2

OFFICE OF THE CEO- Risk Rating Summary

Legend: Very High | High | Moderate | Low

Risk Rating Summary - Economic Development

Legend: Very High | High | Moderate | Low

Risk Rating Summary - Governance Support

Legend: Very High | High | Moderate | Low

Risk Rating Summary - Internal Audit

Legend: Very High | High | Moderate | Low

Risks - 'Very High' and 'High'

Risk No.	Risk	Current Risk Rating	Current Controls	Risk Evaluation
101	Service delivery coverage, quality or correct balance of these audit services may not meet the requirements of the organisation, or may conflict.	High 4	(1) & (2) Annual risk based audit planning highlights risks vs the required or appropriate need for internal audit coverage. (4) External Consultants (4) Audit Committee	Treat Risk
108	Misinterpretation of Local Government Act 2009 & Local Government (de-Amalgamation Implementation) Regulation 2013 causing adverse findings in current and future legal disputes and adversely affecting operational relationship between the Livingstone and Rockhampton Councils.	High 4	None at present. (Advice from the Local Government Department has been less than satisfactory to date in eliminating or clarifying the potential exposure of this risk to Council. Treatment Option 4, Sharing the risk by insurance, [LGM have been advised])	Treat Risk
109	Failure to take advantage of Rockhampton Region's economic development opportunities which can result in limited growth of Council's rate base.	High 5	1. Appointment of Manager Economic Development. 2. Appointment of Senior Resource Advisor to focus on opportunities arising for the Rockhampton Region from the Central Queensland resource sector. 3. Working with the Commonwealth and Queensland Governments and the Rockhampton Region community to maximise economic development opportunities. 4. Promotion of regional economic development opportunities in the media and at appropriate conferences and other forums.	Accept Risk (ALARP)

Risks Requiring Further Treatment (ALL)

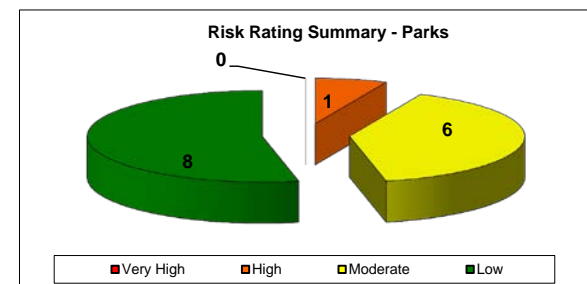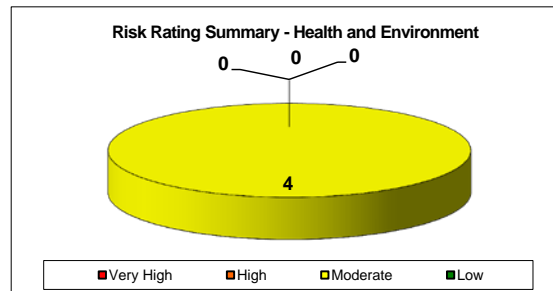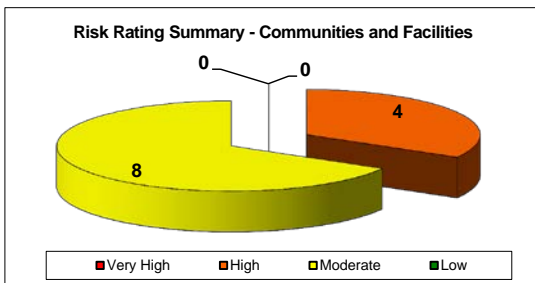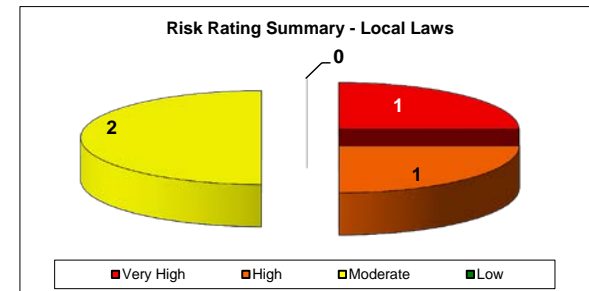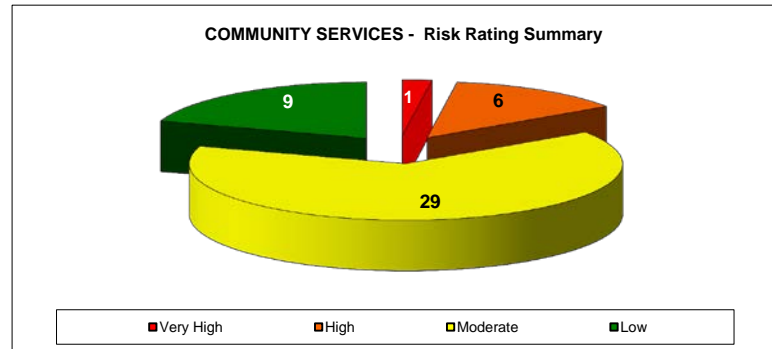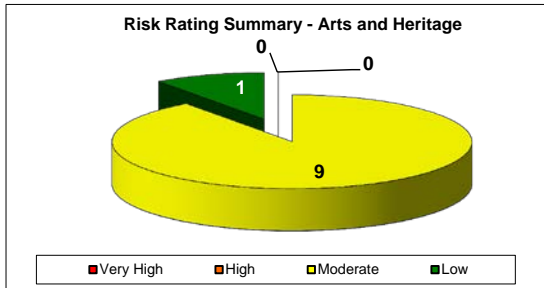| Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Management's Comments	
101	Service delivery coverage, quality or correct balance of these audit services may not meet the requirements of the organisation, or may conflict.	High 4	(1, 3) IA to define and present a report on the required IA service levels to adequately address the Council risk profile and longer term IA resourcing adequacy/direction.		0 Limits to identifying and acknowledging the gap in independent and objective internal audit coverage prevent providing a more adequate internal audit coverage both now in into the future (10 year plan).	(28/1/15: 100%) (17/11/14: 0%)	30/12/2014	Report Completed - draft report issued to CEO before Xmas.	Internal Audit
102	Independent reporting to an audit committee - is compromised or ineffective resulting in diminished or ineffective oversight of risk, control and business improvement opportunities, across the organisation.	Moderate 6	(1 & 2) IA to define and present a report on the required IA service levels to adequately address the Council risk profile and longer term IA resourcing adequacy/direction.		0 Limits to identifying and acknowledging the gap in independent and objective internal audit coverage prevent providing a more adequate internal audit coverage both now in into the future (10 year plan).	(28/1/15: 100%) (17/11/14: 0%)	30/12/2014	Report Completed - draft report issued to CEO before Xmas.	Internal Audit
103	Facilitation of an audit advisory committee of Council - may not be effective or meet the Committee's expectations.	Moderate 7	IA to define and present a report on the required IA service levels to adequately address the Council risk profile and longer term IA resourcing adequacy/direction.		0 Limits to identifying and acknowledging the gap in independent and objective internal audit coverage prevent providing a more adequate internal audit coverage both now in into the future (10 year plan).	(28/1/15: 100%) (17/11/14: 0%)	30/12/2014	Report Completed - draft report issued to CEO before Xmas.	Internal Audit
108	Misinterpretation of Local Government Act 2009 & Local Government (de-Amalgamation Implementation) Regulation 2013 causing adverse findings in current and future legal disputes and adversely affecting operational relationship between the Livingstone and Rockhampton Councils.	High 4	Unable to define an effective treatment plan at this stage. Retain risk by informed decision, is most likely what our position currently is. Council has sought legal opinion.	0	0	0%	TBD	No changes	Office of CEO
111	Failure to collaborate with Rockhampton Region's business groups and businesses, which could lead to initiatives failing to attain their true potential, and/or possible business closures, resulting in limited growth of Council's rate base and Council's reputation affected.	Moderate 5	Enter into funding agreement with Capricorn Enterprise	Within already defined resource/budget allocation	Funding agreement needs to be signed by both parties.	0%	(29/01/15: 31/12/2015) (17/11/14: 31/07/2014)	An economic development strategy is being developed, which could result in a clearer understanding of roles, this is likely to be completed by 30 June 2015. Once this has been completed work can begin on the agreement with a view to having it signed by 31/12/15. Please amend Column S from 31/7/14 to 31/12/15.	Economic Development

RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015

Community Services Risk Register - Quarterly Update as at 30 January 2015

Meeting Date: 20 March 2015

Attachment No: 3

ERM RISK SUMMARY REPORT
Community Services Risk Profile

COMMUNITY SERVICES - Risk Rating Summary

9 | 1 | 6 | 29

■Very High   ■High   □Moderate   ■Low

Risk Rating Summary - Arts and Heritage

0 | 0 | 1 | 9

■Very High   ■High   □Moderate   ■Low

Risk Rating Summary - Local Laws

0 | 1 | 1 | 2

■Very High   ■High   □Moderate   ■Low

Risk Rating Summary - Health and Environment

0 | 0 | 0 | 4

■Very High   ■High   □Moderate   ■Low

Risk Rating Summary - Communities and Facilities

0 | 0 | 4 | 8

■Very High   ■High   □Moderate   ■Low

Risk Rating Summary - Parks

0 | 1 | 6 | 8

■Very High   ■High   □Moderate   ■Low

COMMUNITY SERVICES

Risks - 'Very High' and 'High'

Risk No.	Risk	Current Risk Rating	Current Controls	Risk Evaluation
414	Council fails to maintain, train and supervise adequate numbers of volunteers to assist with operations across its sites resulting in inability to deliver some services, or injury to volunteers or public.	High 4	1. Development and implementation of processes for engagement and training of volunteers. 2. Supervision of volunteer work on Council sites.	Treat Risk
417	Grant and sponsorship programs not delivered in accordance with regulations, policy and procedures resulting in loss of reputation for Council with community concerns about disbursement of funds, and withdrawal of matching funding from other levels of government meaning grant is unable to be offered.	High 4	1. Policy, procedure and funding regulations implemented and reviewed regularly.	Accept Risk (ALARP)
421	Inability to retain amenity of public buildings resulting in community concern and loss of reputation, with possible injury.	High 4	1. Cleaning schedule in place. 2. Hazard inspection reporting process.	Treat Risk
422	Inability to comply with regulatory obligations and conservation of heritage assets, asbestos inspections and treatment, resulting in facilities being non-compliant and deemed unsafe and unusable, with loss of service to community, possible injury to staff and public, and damage to reputation of Council.	High 4	1. Partial completion of conservation management plan (CMP) program, however not funded in 13-14 budget. 2. Identified assets requiring inspection included in planned maintenance subject to funding.	Treat Risk
427	Failure to achieve Local Laws' earned income targets which can result in an inability to fund operations; poor service delivery and public dissatisfaction.	Very High 3	1. Budget submission for appropriate resources to address required compliance service levels. 2. Infringement financial management system (Pathways module).	Treat Risk
429	Inconsistent regulation and enforcement of local laws and legislation resulting in poor service and considerable public dissatisfaction.	High 4	1. Staff trained. 2. Local Law review. 3. Process and procedure review.	Treat Risk
439	Lack of fire management planning resulting in: possible injury or loss of life; damage to Council's reputation; possible litigation.	High 4	Clearing / forming control lines (in conjunction with QPWS) at base of Mt Archer/Berserker Ranges.	Treat Risk

COMMUNITY SERVICES

Risks Requiring Further Treatment (ALL)

Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	MANAGEMENT'S COMMENTS	
407	Damage to Council facilities and equipment due to non-compliance by Hirers resulting in financial loss and loss of reputation.	Moderate 6	(17/11/14 Improved business systems in the Venue Operations Unit)	(1) Capital budget provided for new venue management system.	Suitability of existing commercial venue management systems.	25%	30/06/2015	No changes required	Manager Arts and Heritage
411	Child and youth risk management strategies not in place for regulated businesses, high risk activities and special events in accordance with the requirements of the Children and Young People and Child Guardian Act 2000 resulting in children being exposed to harm, Council being exposed to liability issues and reputational damage.	Moderate 5	1. Implementation of blue card policy and procedure throughout Council; 2. Development of child and youth risk management strategy; 3. Development and implementation of risk management plan for special events. (17/11/14: 4. Blue Cards needs assessment for individual on expiry of current card.)	Staff time.	1. Managers not updating PDs for Blue Card requirement; 2. HRA not supplying information to Senior Admin Officer.	50%	30/06/2014	Responsibility for this now sits with GM's office and Admin Supervisor Community Services. Please delete Manageer Community Services as 'Risk Owner'.	(30/1/15: General Manager Community Services) (17/11/14: Manager Communities and Facilities)
413	Child Care Centre does not meet the National Quality Standard and is unable to operate resulting in loss of service to community, loss of income and reputation for Council.	Moderate 6	Ensure policies, procedures and programs are compliant with NQS for 2014 assessment.	Staff time and training.	Staff not providing programs at acceptable standard.	90%	30/06/2015	Still awaiting departmental assessment	Manager Communities and Facilities
414	Council fails to maintain, train and supervise adequate numbers of volunteers to assist with operations across its sites resulting in inability to deliver some services, or injury to volunteers or public.	High 4	1. Training procedures for volunteers being updated; 2. Responsibility for volunteers at some sites being transitioned to community organisations.	Staff time to deliver training.	1. Ability to provide training at suitable times for volunteers; 2. Staff resource to supervise work at some sites.	50%	30/06/2015	No changes required	Manager Communities and Facilities
420	Damage or failure of Council facilities, plant and equipment resulting in injury to staff or public, potential litigation, and inability to deliver services.	Moderate 5	1. Complete the process of incorporating maintenance plans into Asset Register and Management Plan. 2. Develop a 5-10 year maintenance and renewal strategy based on valuations and condition assessments. 3. Develop forward budget submissions with reference to risk register, corporate plan and legislative requirements.	To be determined based on strategy.	1. Insufficient budget/staff resources.	30/1/15: 90% (17/11/14: 70%)	30/1/15: 31/03/2015 (17/11/14: 31/12/2014)	Change of completion date to 31/03/2015 required due to timing of budget processes	Manager Communities and Facilities
421	Inability to retain amenity of public buildings resulting in community concern and loss of reputation, with possible injury.	High 4	1. Review cleaning and maintenance schedules. 2. Develop forward budget submission with reference to risk register, corporate plan and legislative requirements.	To be determined based on strategy.	Insufficient budget resource.	90%	30/1/15: 30/04/2015 (17/11/14: 31/12/2014)	Change of completion date to 30/04/2015 required due to timing of budget and procurement processes	Manager Communities and Facilities
422	Inability to comply with regulatory obligations and conservation of heritage assets, asbestos inspections and treatment, resulting in facilities being non-compliant and deemed unsafe and unusable, with loss of service to community, possible injury to staff and public, and damage to reputation of Council.	High 4	1. Complete the process of incorporating maintenance plans into Asset Register and Management Plan. 2. Develop a 5-10 year maintenance and renewal strategy based on valuations and condition assessments. 3. Develop forward budget submission with reference to risk register, corporate plan and legislative requirements.	To be determined based on strategy.	Insufficient budget resource to complete Conservation Management Plans and undertake required works.	70%	30/1/15: 30/06/2016 (17/11/14: 31/12/2014)	Change of completion date to 30/06/2016 required due to insufficient resourcing to complete Asbestos and Conservation management plans. This will be subject to budget allocation in 2015-16 financial year.	Manager Communities and Facilities
427	Failure to achieve Local Laws' earned income targets which can result in an inability to fund operations; poor service delivery and public dissatisfaction.	Very High 3	1. Effective Infringement financial management process to be put in place. 2. Internal Audit Process Review.	(1) System update budget. (2) Existing staff and resources.	Available budget	25%	30/06/2015	0	Manager Community Standards and Compliance
429	Inconsistent regulation and enforcement of local laws and legislation resulting in poor service and considerable public dissatisfaction.	High 4	1. Reviews to be completed - 1a) Internal Audit Process Review; 1b) Legal review of Local Laws. 2. Membership subscription to LGAQ's Legislation Compliance Service. 3. Join SEQ Regional Animal Management group (SEQRAM).	1a) Existing staff and resources. 1b - 3) Review of budget required.	Available budget	5%	31/12/2014	0	Manager Community Standards and Compliance
431	Animal housing at the Zoo does not meet the required standard (inclusive of; animal husbandry, record keeping, staffing & asset renewal) resulting in: Loss of zoo licences / closure of facility; Injury or death to an animal; Negative public perception; Staff turnover; Injury or death to zookeepers.	Moderate 6	1. Documented procedures rolling review. 2. Develop, implement, and annually review development plan (linkage to budget required) to upgrade exhibitions and achieve implementation of the approved/ultimate zoo master plan. 3. Staff to monitor and contribute to review/formation of industry guidelines standards.	Annual Budget External contractors to be used. Staff time and management overview.	(17/11/14 Procedure Manual review / update is continuing.)	10%	30/06/2016	No changes required	Manager Parks

COMMUNITY SERVICES

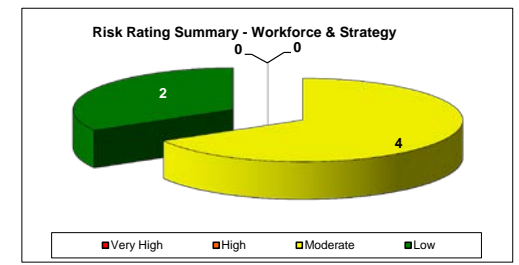| Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	MANAGEMENT'S COMMENTS	
433	Loss of information and critical cemetery records (paper/electronic) resulting in poor service delivery through: inability to provide information to families/funeral directors for future/past burial information and replace historical records - some information lost forever; and reliance on data with inefficient communication networks.	Moderate 5	(17/11/14 Delivery of replacement system by IT Services; Data transfer to new system to be programmed.)	(17/11/14: $90,000 carried forward 13/14 revised budget.)	Alternative / replacement database system for UniCEM explored and costed.	17/11/14: 60%	(17/11/14: 30/03/2015)	No changes required	Manager Parks
434	Insufficient interment space for future burials leading to damage to council's reputation and loss of revenue.	Low 8	(17/11/14 Development plan commenced regarding the expansion of Gracemere Cemetery pursuant to Council resolution.)	30/1/15: 2014-15 Revised budget to include option to commence planning and design for Gracemere expansion into 2014-15. Budgeted for commencement in 2015-16 FY.	Council direction - no further expansion at Rockhampton Memorial Gardens.	5%	01/06/2016	P - 2014-15 revised budget to include option to commence planning and design for Gracemere expansion into 2014-15.	Manager Parks
439	Lack of fire management planning resulting in: possible injury or loss of life; damage to Council's reputation; possible litigation.	High 4	Manager Parks to finalise development and implementation of a regional fire mitigation strategy in collaboration with state government agencies and property owners.	(17/11/14 Nil)	Nil	70%	31/12/2014	No changes required	Manager Parks
440	Tree fails resulting in: injury/death; damage to property; damage to Council's reputation; negative financial impact.	Low 7	1. Review, update and submit Street and Parks Tree Master Plan for approval to implement. 2. Programmed maintenance works to be implemented to full capacity. 3. Ergon Service Level Agreement is to be in place and implemented.	Staff time and management overview, possible external review and update Nil Nil.	Nil	60%	31/12/2015	No changes required	Manager Parks
443	Loss of significant/ historic/ iconic botanical collections resulting in negative publicity and loss of: reputation; region's "green" status; iconic material; and research opportunities.	Moderate 6	1. Review, update and implement existing land & conservation management & succession plans. 2. Complete the identification of the current collection as part of the succession plan.	Staff time and management overview. 0		40%	30/06/2016	No changes required	Manager Parks
444	Inadequate/ inappropriate open space does not meet the community's requirements/ expectations resulting in lack of: standardised infrastructure charges; consistency and quality of the asset including land; lack of benchmark for Council/ developer Standards; unwanted contributed assets; leading to reputational damage; social problems and; financial impacts.	Moderate 5	1. Develop & implement a Parks Infrastructure Strategy for conditioning of new development. 2. Develop a local parks contribution policy. 3. Complete & implement Landscape Guidelines (as part of CMDG). 4. Open Space Strategy to be reviewed and implemented (inc service levels).	0	0	70%	31/12/2016	No changes required	Manager Parks

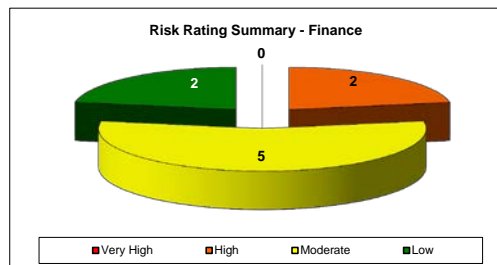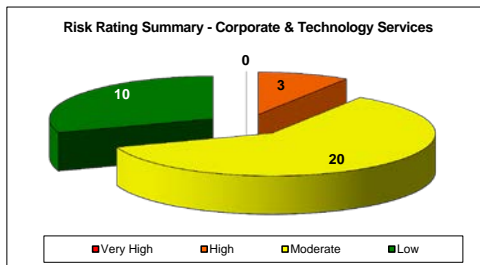# RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015
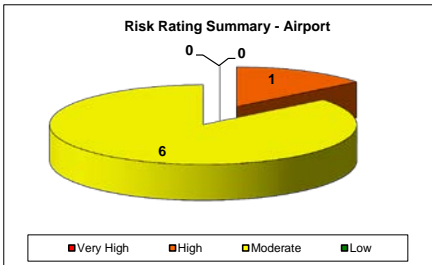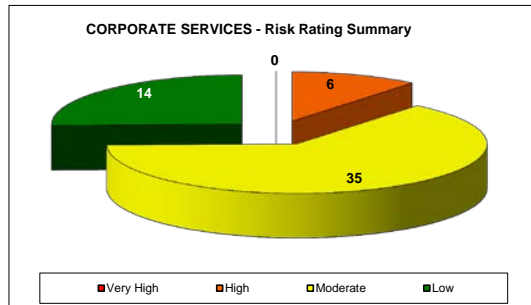
Corporate Services Risk Register - Quarterly Update as at 30 January 2015

Meeting Date: 20 March 2015

Attachment No: 4

ERM RISK SUMMARY REPORT
Corporate Services Risk Profile

CORPORATE SERVICES - Risk Rating Summary

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Airport

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Corporate & Technology Services

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Finance

- Very High
- High
- Moderate
- Low

Risk Rating Summary - Workforce & Strategy

- Very High
- High
- Moderate
- Low

CORPORATE SERVICES

Risks - 'Very High' and 'High'

Risk No.	Risk	Current Risk Rating	Current Controls	Risk Evaluation
213	Operational degradation or failure of Council's Two-way radio communication system resulting in failed regional communications for daily operations and emergency / disaster response.	High 4	1. Vendor support for current technology (due to expire Dec 14). 2. Maintenance of adequate spares in-house (limited). 3. Some internal system redundancy. 4. Use of mobile phones in service areas.	Treat Risk
223	Corporate Recordkeeping software (ECM) doesn't meet strategic records management requirements in relation to systematic electronic records archival and disposal resulting in failure to dispose/archive eRecords.	High 4	Manual system in place for the disposal of hardcopy documents only (electronic documents continue to grow exponentially)	Treat Risk
235	Failure to have an efficient and effective Enterprise Risk Management system integrated and embedded through the whole of Council resulting in ineffective decision making having strategic, financial, legal, compliance, safety and service delivery impacts.	High 4	1. Council and executive management committed to an enterprise risk management framework covering all aspects of Council's operations and providing a consistent approach to risk management throughout the organisation. 2. Existing risk management systems.	Treat Risk
249	The operational capability of the airport is reduced or prevented altogether by an event (natural or technological) resulting in the inability of the airport to function effectively and provide normal services.	High 4	1. Offer alternate travel opportunities to the general public (ie. airline services out of Gladstone and Mackay). 2. Continually update Council website as a communication tool for the general public. 3. Plan to enable operations of the runway at reduced length for smaller capacity aircraft when necessary.	Treat Risk
251	The loss of revenue impacting on Council's financial position potentially resulting in higher future rate rises, additional borrowings or service level reductions.	High 5	1. Undertaken training workshops with Council on Financial Sustainability and implications of change. 2. Include a lower reliance on grants and subsidies from other levels of government in Council's long term financial forecast. 3. Conservative financial forecast estimates. 4. Conservative estimates used in conjunction with DA applications. 5. Align related capital expenditure directly with developer contributions. 6. Using historical forecasts trending with wetter seasons.	Accept Risk (ALARP)
253	Lack of funds for capital works resulting in degradation of existing assets causing unusable assets and public liability claims.	High 5	1. Align related capital expenditure directly with developer contributions. 2. Maintain Asset Management Plans and budget accordingly. 3. Budget conservatively with regular reviews of capital program.	Treat Risk

CORPORATE SERVICES

Risks Requiring Further Treatment (ALL)

Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Management's Comments	
213	Operational degradation or failure of Council's Two-way radio communication system resulting in failed regional communications for daily operations and emergency / disaster response.	High 4	Commence planning and implement a replacement RRC regional two-way radio communications system. Two stage plan - 1. Replace the Rockhampton City Two-way system. 2. Integrated regional solution taking in the Gracemere infrastructure.	Budget allocated, final costing to be determined following infrastructure design and tender.	30/01/15: Planning work still progressing on schedule. (17/11/14: Currently drafting the tender specification for the system design and working through land tenure issues for the Mt Morgan communications tower facility.)	10%	TBD following infrastructure design and tender.	30/01/15: Planning work still progressing on schedule.	Corporate and Technology / Fleet Services
223	Corporate Recordkeeping software (ECM) doesn't meet strategic records management requirements in relation to systematic electronic records archival and disposal resulting in failure to dispose/archive eRecords.	High 4	The Records Archiving, Retention and Disposal (RARRD) project commenced in 2012 to develop a corporate solution to cover eRecords (including more effective hardcopy disposal recording).	Resources available. Requirements analysis to be undertaken.	30/01/15: ECM major upgrade planned 'Go-Live' June 2015 is expected to address electronic archival and disposal. (17/11/14: Currently on hold due to higher project priorities.)	30%	To be advised	30/01/15: ECM major upgrade planned 'Go-Live' June 2015 is expected to address electronic archival and disposal	Corporate and Technology / Records Management
235	Failure to have an efficient and effective Enterprise Risk Management system integrated and embedded through the whole of Council resulting in ineffective decision making having strategic, financial, legal, compliance, safety and service delivery impacts.	High 4	Implement the Enterprise Risk Management Framework to cater for a consistent approach to risk management throughout the organisation.	Resources are part of CTS FTE establishment and budget. Require other staff buy-in.	30/01/15: Corporate Risk Register now adopted. ERM Framework now adopted. (17/11/14 - Departmental/Sectional Risk Registers adopted September 2014. Corporate Risk Register on target for adoption December 2014.)	30/01/15: 100% (17/11/14: 80%)	31/12/2014	30/01/15: Corporate Risk Register now adopted. ERM Framework now adopted.	Corporate and Technology / Property & Insurance
242	Council's payroll function fails to accurately record and process employee wages and entitlements resulting in an inability to pay employees on time and accurately, potential employee dissatisfaction, Industrial disputes, financial impacts and reputation damage.	Moderate 7	(17/11/4: (2) Multiskilling of Administration and HR staff)	Existing resources	Emergent projects	95%	30/1/15: 30/06/2015 (17/11/14: 30/12/2014)	S= Completion date to change due to 30/06/2015 due to the following: 1. Staff Shortages 2. Key staff absent on leave.	Workforce and Strategy / Human Resources
244	Aircraft accident, incident or malfunction occurs within the Rockhampton airport precinct resulting in possible death or injury , financial loss, interruption to airline service delivery, damage to infrastructure and reputation damage to the airport.	Moderate 6	Upgrade airport lighting system.	Budget of $7.5m over three years has been allocated	(21/1/15 - Stage 3 to be completed June 2015 depending on weather and material supply. In order to reduce risk main runway transformers replaced in the interim and circuit reliability improved from 0 megaohms to 0.3 megaohms. Contract awarded for stage 3 and contractors to commence Feb 2015.) (17/11/14: Stage 1 the Construction of a new Electrical Lighting Control Room has been completed and Stage 2 the installation of 25km of Ducting and construction of Pits has also been completed. The tender for the final two part stage is due to close late November.)	21/1/15: 60% (17/11/14: 50%)	(21/1/15: Stage 1: completed April 2014 Stage 2: completed November 2014) (17/11/14: Stage 1: 30/6/2014 - Completed Stage 2: 30/6/2015) Stage 3: 30/6/2016	21/1/15 - Stage 3 to be completed June 2015 depending on weather and material supply. In order to reduce risk main runway transformers replaced in the interim and circuit reliability improved from 0 megaohms to 0.3 megaohms. Contract awarded for stage 3 and contractors to commence Feb 2015.	Airport
245	Security breach or threat at the airport resulting in possible death or injury, reputation damage to the airport, additional costs, disruption to airline services due to airport closure, infrastructure damage, fines in relation to a regulatory breach.	Moderate 6	Replace hard key system on all gates and access points with proxcard electronic card system so lost cards can have access withdrawn.	Budget has been provided under Security upgrade	(17/11/14: Acquisition of special locks and software requirements has delayed installation of remainder of Salto locks. Need to extend completion date to 30/6/15.)	21/1/15: 50% (17/11/14: 40%)	(17/11/14: 30/06/2015)		Airport
247	Airport revenue decreases over a sustained period resulting in the airport performance KPI's not being met, budgetary impacts, reduced availability of funds for capital programs.	Moderate 5	Provide new lease agreements with Singaporeans and Australian Defence worth $1.3mill Redevelop the airport terminal to increase retail revenue.	nil $5-$6m	(21/1/15: At the Business Enterprise meeting on 5/11/2014 the Terminal redevelopment report was received. It is anticipated that a review will occur in the 3rd quarter.) (17/11/4: RSAF lease now completed and executed. However, terminal redevelopment is on hold as the plans have been rejected by Council.)	80%	(21/1/15: ADF lease done, SAF lease executed) (17/11/14: ADF lease done, SAF in principle agreement.) Terminal now - 30/06/2018	SAF lease executed. At the Business Enterprise meeting on 5/11/2014 the Terminal redevelopment report was received. It is anticipated that a review will occur in the 3rd quarter.	Airport
248	Airport assets not maintained, upgraded, inspected or monitored effectively in accordance with regulatory requirements resulting in possible death or injury, reputational damage, compliance failure, reduced service delivery, WH&S fine.	Moderate 6	Facility maintenance and condition assessment inspection schedules are in the process of being completed and detailed in conquest. Consultant engaged to identify critical infrastructure and to load into Conquest to ensure regular maintenance is performed.	Facilities Co-ordinator providing resources. Budget funds are available over next few years for consultant to complete critical infrastructure assets in Conquest.	(21/1/15: Main Runway condition assessment completed. Roads pavement condition assessment completed. Airport Council owned buildings condition assessment completed and priority 1 defects being addressed. Apron Lighting electrical switchboards have been assessed and staged replacement and upgrade are planned.) (17/11/14: Work in progress on condition reports and conquest implementation population of assets. The completion date needs to be extended to 30/6/2015. Condition reports have been completed for Critical assets such as main Runway, HV Capacity, Chilled water system, Fire control systems, Airconditioning, HV Transformers and Roads and pavements.)	21/1/15: 80% (17/11/14: 60%)	(17/11/14: Stage 1: 30/06/2015)	Main Runway condition assessment completed. Roads pavement condition assessment completed. Airport Council owned buildings condition assessment completed and priority 1 defects being addressed. Apron Lighting electrical switchboards have been assessed and staged replacement and upgrade are planned.	Airport

CORPORATE SERVICES

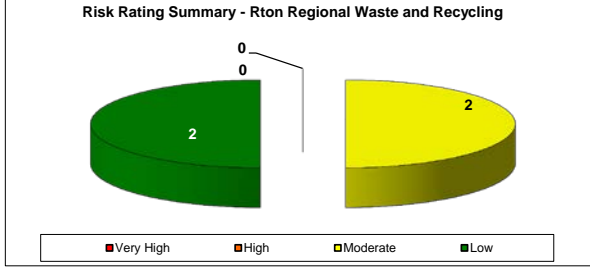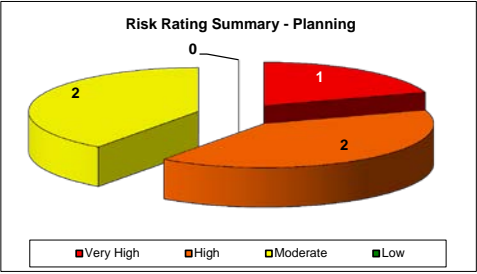| Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Management's Comments	
249	The operational capability of the airport is reduced or prevented altogether by an event (natural or technological) resulting in the inability of the airport to function effectively and provide normal services.	High 4	Develop a contingency plan for reduced or ceased terminal operation capacity and ensure all planning is integrated into any whole of council planning for business continuity management.	Require assistance from Consultant and Council Officers to formulate Continuity planning.	(17/11/14: An outline of a proposed Continuity plan has been developed and will be further refined to identify contingency plans that are in place and need to be developed.)	20%	(17/11/14: 30/06/2015)	No change	Airport
250	A safe environment is not effectively provided for Airport workers, passengers and the public resulting in possible death or injury, compliance breaches, safety breaches, reputational damage, insurance claims, legal action.	Moderate 5	Complete implementation of CASA and Safety Management System audit recommendations and observations.	nil	Availability of resources.	21/1/15: 100% (17/11/14: 40%)	30/06/2014	The future risk control has now been implemented and will show in next quarter's report as an existing control in column F.	Airport
253	Lack of funds for capital works resulting in degradation of existing assets causing unusable assets and public liability claims.	High 5	1. Enhanced capital expenditure reporting for monitoring purposes.	No	(17/11/14 : Roads AMP adopted by Infrastructure Committee. Timing of all Capital Programs submitted to Finance.)	45%	30/1/15: 30/06/15 (17/11/14: 31/12/2014)	Please change completion date to 30/6/15 as the full 10 year program of works will be implemented in the budget and financial plan to be adopted by the end of June.	Finance
258	The use of inaccurate GIS data by external users will lead to litigation and a lack of integrity for internal and external users.	Moderate 5	Existing data to be reviewed.	Existing staff	Other priorities that arise.	50%	30/1/15: 30/06/2015 (17/11/15: 31/12/2014)	0	Finance / Asset Management and GIS

RISK REGISTERS - QUARTERLY UPDATE AS AT 30 JANUARY 2015
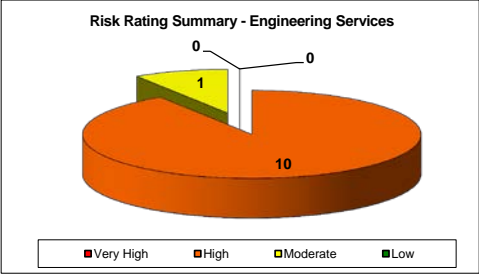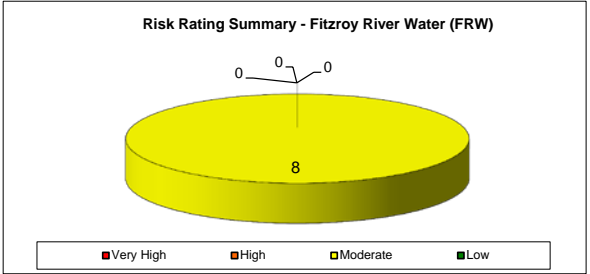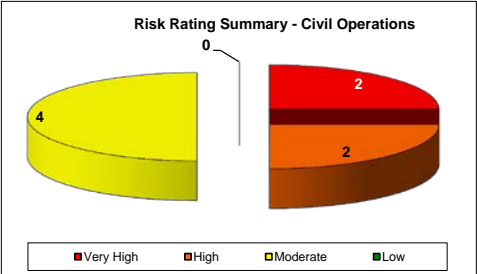
Regional Services Risk Register - Quarterly Update as at 30 January 2015

Meeting Date: 20 March 2015

Attachment No: 5

ERM RISK SUMMARY REPORT
Regional Services Risk Profile

REGIONAL SERVICES - Risk Rating Summary

■ Very High	■ High	□ Moderate	■ Low

Very High: 3, High: 14, Moderate: 17, Low: 2

Risk Rating Summary - Civil Operations

■ Very High	■ High	□ Moderate	■ Low

Very High: 2, High: 2, Moderate: 4, Low: 0

Risk Rating Summary - Fitzroy River Water (FRW)

■ Very High	■ High	□ Moderate	■ Low

Very High: 0, High: 0, Moderate: 8, Low: 0

Risk Rating Summary - Planning

■ Very High	■ High	□ Moderate	■ Low

Very High: 1, High: 2, Moderate: 2, Low: 0

Risk Rating Summary - Engineering Services

■ Very High	■ High	□ Moderate	■ Low

Very High: 0, High: 10, Moderate: 1, Low: 0

Risk Rating Summary - Rton Regional Waste and Recycling

■ Very High	■ High	□ Moderate	■ Low

Very High: 0, High: 0, Moderate: 2, Low: 2

REGIONAL SERVICES

Risks - 'Very High' and 'High'

Risk No.	Risk	Current Risk Rating	Current Controls	Risk Evaluation
301	Budget overrun (Capital Projects) resulting in inability to complete project to specification impacting on end user/fit for purpose, seeing corporate/operational plan objectives not being addressed and Council's credibility with the community being impacted.	Very High 2	(1) Oversee and report to General Manager Regional Services: (1a) Review fortnightly expenditure reports. (1b) Close supervision of site activities. (1c) Monitor resource utilisation onsite. (2) Funding shortfall on overall program requiring reprioritisation of projects.	Treat Risk
302	Increased input costs not factored in to budgets thus resulting in inability to fully complete stated work programs.	High 4	1. Anticipate increased input costs when drafting budget. 2. When preparing budget for main material and resource components, forecast costs are obtained where possible.	Accept Risk (ALARP)
304	Failure of operation asset condition (roads, drainage, etc) leading to: injury or death of public/staff; damage to property/equipment - resulting in legal outcomes, financial impacts and negative publicity for Council.	Very High 2	(1) Routine and reactive inspections to identify defects. (2a) Improved inspection systems and resourcing (previous risk treatment plan) (2b) Safety matters discussed at all Toolbox sessions.	Treat Risk
308	Landslip and/or rocks on road along Pilbeam Drive at Mt Archer - poses a threat to safety of road users resulting in public liability.	High 5	1. Shut road to traffic in significant rain events. 2. Speed restricted to 40 kmh. 3. Fallen rocks warning signs installed. 4. Inspect road after major rain events and at monthly intervals to remove rocks and check that 40 kmh speed restriction and Fallen rocks warning signs are in place.	Accept Risk (ALARP)
310	Inability of Engineering Services to provide or maintain adequate levels of service for infrastructure planning, development assessment and infrastructure design resulting in reduced productivity, inadequate infrastructure, risk to the general public and workers and financial loss for Council.	High 4	(2.) Production of specific training & development plans for technical & professional staff has commenced for Design Services only at this stage.	Treat Risk
311	Breach of the Professional Engineers Act resulting in installation of unsafe infrastructure or infrastructure that does not meet legislative requirements causing the following possible impacts to Council: Service delivery delays; negative financial impacts; possible serious harm to public/workers; and reputation tarnished.	High 4	1. Employment of some RPEQ's in required positions. 2. Quality Assurance (QA) System implemented in Design Office. 3. Professional Indemnity insurance coverage. 4. Public Liability Insurance coverage.	Treat Risk
312	Inadequate Developer Contributions for Infrastructure resulting in a cost impost on ratepayers and reduction in funds available for other projects.	High 4	The Adopted Infrastructure Charges Resolution under State Planning Regulatory Provisions (SPRP) has been adopted by Council.	Treat Risk
313	Poor records and information management retrieval and storage capabilities (hardcopy and electronic) resulting in an inability to find and retrieve critical infrastructure planning information resulting in reduced productivity, inadequate infrastructure, risk to the general public and workers and financial loss for Council.	High 4	1. Drawing Register database has been developed. 2. Design Office engineering drawings are being electronically stored and made accessible through GIS. 3. As-Constructed processes are in place through the operational works process.	Treat Risk
314	Poor infrastructure delivery resulting in: an inability to decide locations of future infrastructure; lack of adequate input to PIP; and development decisions made more difficult by lack of data - resulting in reduced levels of service on infrastructure networks, financial impacts to Council and the community, and reputation damage.	High 5	1. Additional resources applied to strategic infrastructure planning. 2. Consultancy support utilised.	Treat Risk
315	Failure to maintain accuracy and value of the forward works program and adequately provide for the annual capital program resulting in projects nominated for delivery being deferred to accommodate increased costs within annual capital program and the Long Term Financial Strategy (LTFS).	High 4	1. (1.) Corporate capital planning framework currently in place. 2. (2.) Pre-project planning and design program initiated to provide early design of known fixed year projects. 3. (2.) Project Scoping confirmation process developed and implemented as part of design	Treat Risk
316	Inadvertent non-compliance with design requirements or legislative requirements leading to in installation of inappropriate or unsafe infrastructure, or infrastructure that does not meet technical standards resulting in legal action against Council and / or Loss or Damage to natural /cultural assets.	High 5	1. Implementation of QA systems. 2. Employment of qualified and experienced staff. 3. Identification of professional development and training needs after completion of training gap analysis. 4. Ongoing training for Civil Designers and appropriate checklists provided as part of QA processes.	Treat Risk
319	Lack of trained personnel to operate the Disaster Coordination Centre in event of a disaster resulting in inefficient Local Disaster Coordination Centre (LDCC) operations which could lead to inefficient decision making resulting in harm to the community, major financial losses, damage to reputation and a lack of community confidence in the Local Disaster Management Group's (LDMG) ability to respond to and recover from disaster events.	High 5	1. (1.) Annual recruitment drive 2. (1.) Annual refreshers to be run for trained guardian users; and 3. (1.) Full guardian training provided for new volunteers. 4. (1.) LDCC Standard Operating Procedures developed and distributed; and 5. (1.) An annual simulated exercise is carried out.	Treat Risk
320	Reduced SES capability to respond during a disaster event, would require either a greater response from Council (which is unlikely given our resource levels) or a lesser response to the event, resulting in: community expectations unable to be met; a negative financial impact and reputational damage to Council.	High 5	1. Disaster Management Officer responsible for liaising with and assisting local SES groups. 2. Employment of full time paid SES Controller. 3. SES funding included within current budgets and appropriate funding grant opportunities identified and sourced to assist with costs. Disaster Management Officer responsible for liaising with Qld Fire and Emergency Services (QFES) and assisting SES groups.	Treat Risk
321	Failure to document and implement disaster management policy, framework and arrangements, appropriate to our region resulting in: a lack of leadership and poor decision making in disaster events; major financial losses; damage to reputation; potential increased effects of a disaster event upon the community; and potential loss of funding opportunity (NDRRA).	High 4	1. Disaster Management recognised in Corporate Plan and Policy has been adopted by Council. 2. Full time Disaster Management Officer appointed. Suitable LDMG Local Disaster Coordinator identified and appointed and appropriate training opportunities identified for LDMG members. 3. Experience gained from recent disaster. 4. Disaster Management Plan complies with the Disaster Management Act. 5. Job descriptions for the chairpersons of the disaster management sub-committees and the LDMG members have been developed.	Treat Risk
330	Failure to address general long term planning needs for the community will result in lower quality development, less development overall, continued poor economic and community performance indicators, and lost opportunities in pursuit of achieving elevation of Rockhampton's reputation to an exceptional regional city.	Very High 2	(1) Have staff employed working in this field. (2) Have budget allocated for training.	Treat Risk
331	Changes to State law that reduce revenues for essential Council services, e.g. Development Assessment will result in less capacity to provide planning services, requiring supplemental funding from other sources, e.g. increased rates.	High 4	Current fees address service level requirements.	Accept Risk (ALARP)
332	Failure to collect revenue results in less funds available and lack of confidence in Council business practices.	High 5	(1) Customer financial management system (Pathway)	Treat Risk

REGIONAL SERVICES

Risks Requiring Further Treatment (ALL)

Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Managaement's Comments	
301	Budget overrun (Capital Projects) resulting in inability to complete project to specification impacting on end user/fit for purpose, seeing corporate/operational plan objectives not being addressed and Council's credibility with the community being impacted.	Very High 2	1. (2) Design Services to design high risk projects prior to drafting budget to provide design estimates. Apply cost indexation to design estimates to update estimate to proposed budget period. 2. (2) Coordinators Urban and Rural Operations to prepare estimates for new projects and the Manager Civil Operations to review estimates. 3. Project management framework including project plans to be implemented.	Additional Design resources required to provide designs and estimates for critical projects prior to drafting budget.	(17/11/14: No additional design staff appointed. Forward planning for 2016/17 Capital Works Budget has not commenced).	10%	30/06/2014	0	Civil Operations
303	Loss of/damage to office and depot facilities with an impact on ability to coordinate and deliver services.	Moderate 6	Obtain generator to provide emergency power to depots - liaise with Facilities to achieve outcome.	Budget required to provide connection and test run hired generator.	(17/11/14: Not carried out)	0%	30/06/2015	0	Civil Operations
304	Failure of operation asset condition (roads, drainage, etc) leading to: injury or death of public/staff; damage to property/equipment - resulting in legal outcomes, financial impacts and negative publicity for Council.	Very High 2	(1) Fine tune and review the ongoing Civil Operation asset condition inspections, which are conducted in conjunction with Council's Asset Management Unit for assets, facilities & major projects. (Note - Civil Operations inspect rural roads but the Asset Management Unit inspect urban roads)	Staff Resources	Lack of staff in Assets - Provision of inspection services by Asset Services and reporting of defects identified has not progressed significantly and it is doubtful it will under the current structure. No change to status.	20%	28/02/2015	0	Civil Operations
306	Interruption to program of works resulting in non-achievement of corporate targets and reduction in service delivery. (This includes Capital Works program)	Moderate 5	Project management framework/tool to provide a robust and prioritised forward works program.	0	0	80%	30/06/2014	0	Civil Operations
310	Inability of Engineering Services to provide or maintain adequate levels of service for infrastructure planning, development assessment and infrastructure design resulting in reduced productivity, inadequate infrastructure, risk to the general public and workers and financial loss for Council.	High 4	1. (1.) Undertake staffing level review and business planning for Engineering Services. 2. (2.) Improve focus on professional development and training (including graduate development program) by management implementing appropriate training and development plans and staff completing them.	Professional Development Training Budgets required	Lack of resources and higher priorities impacting on time available for implementation and completion.	30/1/15: 40% (17/11/14: 0%)	30/1/15: 31/12/2015 (17/11/14: 31/01/2015)	Deadline will need to be extended until end of calendar year.	Engineering Services
311	Breach of the Professional Engineers Act resulting in installation of unsafe infrastructure or infrastructure that does not meet legislative requirements causing the following possible impacts to Council: Service delivery delays; negative financial impacts; possible serious harm to public/workers; and reputation tarnished.	High 4	1. (1.) Make RPEQ qualification mandatory for some positions in the future. 2. (2.) Request technical staff to obtain their RPEQ if possible.	Resources required through the Training Assistance process	1. Requires study assistance. 2. Lack of incentive to obtain RPEQ qualification - owing to the level of responsibility and potential liability that attaches to the RPEQ rather than the organisation.	30/1/15: 10% (17/11/14: 0%)	31/12/2016	Has been included as identified training for some in performance appraisals.	Engineering Services
312	Inadequate Developer Contributions for Infrastructure resulting in a cost impost on ratepayers and reduction in funds available for other projects.	High 4	1. Further assessment & refinement of existing adopted charges resolution to ensure adequacy and accuracy. 2. Council adoption of SPA compliant Priority Infrastructure Plan (PIP).	0	Lack of willingness of Council to apply full charges.	30/1/15: 80% (17/11/14: 70%)	30/1/15: Completion date to be aligned with adoption of new planning scheme and LGIP. (17/11/14: 31/12/2014)	Completion date to be aligned with adoption of new planning scheme and LGIP.	Engineering Services / Strategic Infrastructure
313	Poor records and information management retrieval and storage capabilities (hardcopy and electronic) resulting in an inability to find and retrieve critical infrastructure planning information resulting in reduced productivity, inadequate infrastructure, risk to the general public and workers and financial loss for Council.	High 4	1. Plan and implement completion and population of central registry for planning studies. 2. (1.) Continued population of drawing register database and scanning and loading of engineering drawings into GIS. 3. (2.) Retrieval of historical development plans to be scanned and loaded into GIS. 4. Identify and acquire (if necessary) appropriate storage areas for records.	Require dedicated Project Admin/technical librarian support	Lack of a plan and resources.	30/1/15: 30% (17/11/14: 20%)	30/06/2018	0	Engineering Services
314	Poor infrastructure delivery resulting in: an inability to decide locations of future infrastructure; lack of adequate input to PIP; and development decisions made more difficult by lack of data - resulting in reduced levels of service on infrastructure networks, financial impacts to Council and the community, and reputation damage.	High 5	1. Increased budgeted use of consultancy support to address areas of concern. 2. Continued push for more in-house engineering resources.	Consultancy Support	Budgets and competing priorities	30/1/15: 70% (17/11/14: 60%)	01/06/2015	0	Engineering Services / Strategic Infrastructure
315	Failure to maintain accuracy and value of the forward works program and adequately provide for the annual capital program resulting in projects nominated for delivery being deferred to accommodate increased costs within annual capital program and the Long Term Financial Strategy (LTFS).	High 4	1. Continued refinement of forward works program. 2. (2. & 3.) Development of indicative estimating tool. 3. Develop Network specific prioritisation processes.	Budget, IT Support, Software.	Availability of personnel to do this work.	50%	01/07/2016	0	Engineering Services
316	Inadvertent non-compliance with design requirements or legislative requirements leading to in installation of inappropriate or unsafe infrastructure, or infrastructure that does not meet technical standards resulting in legal action against Council and / or Loss or Damage to natural /cultural assets.	High 5	(3. & 4.) Improved focus on professional development & training by completing and implementing appropriate training and development plans.	Training Budget	Budget and available time.	30/1/15: 90% (17/11/14: 70%)	01/07/2015	0	Engineering Services / Design Services
319	Lack of trained personnel to operate the Disaster Coordination Centre in event of a disaster resulting in inefficient Local Disaster Coordination Centre (LDCC) operations which could lead to inefficient decision making resulting in harm to the community, major financial losses, damage to reputation and a lack of community confidence in the Local Disaster Management Group's (LDMG) ability to respond to and recover from disaster events.	High 5	1. (2.) Develop information package on roles and responsibilities and remuneration etc to assist with recruitment drive. 2. (3.) Educate managerial staff as to their responsibilities under the Disaster management policy. 3. (1.) Consider implications of sourcing volunteer staff from outside of Council.	Administration and communications support to develop professional recruitment drive. Leadership team direction and support for release of personnel from normal duties.	Adequate time to develop and prepare recruitment resources.	30/1/15: 40% (17/11/14: 10%)	01/07/2015	0	Engineering Services / Disaster Management

REGIONAL SERVICES

Risk No.	Risk	Current Risk Rating	Future Risk Control(s)	Resources / Budget	Performance / Constraints	% Complete	Completion Date	Management's Comments	
320	Reduced SES capability to respond during a disaster event, would require either a greater response from Council (which is unlikely given our resource levels) or a lesser response to the event, resulting in: community expectations unable to be met; a negative financial impact and reputational damage to Council.	High 5	Implement MOU with EMQ regarding shared management responsibilities for the SES, supported with appropriate funding and training.	0	Lack of time and resources to develop MOU.	30/1/15: 60% (17/11/14: 50%)	01/07/2015	Action has stalled due to restructure of Emergency Services at a State Level.	Engineering Services / Disaster Management
321	Failure to document and implement disaster management policy, framework and arrangements, appropriate to our region resulting in: a lack of leadership and poor decision making in disaster events; major financial losses; damage to reputation; potential increased effects of a disaster event upon the community; and potential loss of funding opportunity (NDRRA).	High 4	1. Identify LDMG members that require training in disaster management arrangements. 2. Review Disaster Management Policy and seek commitment from Council departments.	QFES Training Packages	Lack of understanding of policy requirements. Disaster Management Roles are in addition to substantive full time roles and so available time to put towards these roles is limited.	30/1/15: 40% (17/11/14: 0%)	01/01/2015	Key Council members of LDMG have received some training. DM Policy has been reviewed and will be presented to Council for adoption.	Engineering Services / Disaster Management
322	Failure to comply with legislative requirements for water and sewerage services resulting in fines, loss of reputation and environment or health impacts.	Moderate 5	1. Conduct condition assessment and review maintenance strategy for monitoring equipment. 2. Alternative power supply to be installed at critical sites. 3. Seek Council approval, and implement Sewerage Treatment Plant Strategy.	(1, 2 & 3) Budget (3) Project delivery staff	(1) Staff availability. (2 & 3) Budget. (3) Staff capacity and capability.	30/1/15: 15% (17/11/14: 10%)	31/12/2019	High level risk condition assessment completed by Assets during financial valuation of water and sewerage assets. STP strategy adopted by Council and projects underway.	FRW
323	Failure to adequately maintain process assets resulting in fines, loss of revenue, disruption to services and loss of reputation.	Moderate 5	1. Seek Council approval and implement Sewerage Treatment Plant Strategy. 2. Implement rolling condition assessment program.	1. Project Delivery Staff 2. Budget	1. Budget. 2. Staff capacity & capability.	30/1/15: 10% (17/11/14: 5%)	31/12/2019	High level risk condition assessment completed by Assets during financial valuation of water and sewerage assets. STP strategy adopted by Council and projects underway.	FRW
324	Inadequate physical security resulting in disruption or loss of critical services and supply, serious injury or death, damage to assets, theft; and damage to reputation.	Moderate 5	1. Conduct audit of signage at all sites and update as necessary. 2. Finalise and implement FRW Maintenance Strategy.	(1 & 2) Staff (1) Budget	Staff availability	20%	31/12/2014	Security audit report expected to be delivered end of Feb 2015. Action plan will be developed on audit findings. Capital budget allowance being made in 10yr forecast.	FRW
325	Failure of Water Treatment Plant resulting in loss of supply for extended period, financial loss, loss of reputation, public health risk, safety risk; and breach of license conditions.	Moderate 6	1. Security cameras and equipment to be installed and monitored via SCADA software. 2. FRW Maintenance Strategy. 3. Investigate backup power options.	(1, 2 & 3) Staff (1) Budget	(1) Awaiting budget approval. (2 & 3) Staff availability.	30/1/15: 20% (17/11/14: 5%)	31/12/2014	Security audit report expected to be delivered end of Feb 2015. Action plan will be developed on audit findings. Maintenance dashboard developed for improved tracking and monitoring of backlog. Implementation of maintenance strategy in progress.	FRW
326	Failure of Sewerage Treatment Plant resulting in breach of EPA license; serious disruption of services; serious litigation and financial loss; loss of reputation.	Moderate 5	1. Site specific SOPs. 2. Investigate backup power options. 3. Implement RRC's STP upgrade strategy.	(1, 2, 3) Staff. (3) Budget.	(1, 2) Staff availability. (3) Project staff. (3) Budget.	30/11/15: 35% (17/11/14: 30%)	30/06/2017	STP strategy adopted by Council and projects underway. Capital budget allowance being made in 10 year forecast.	FRW
327	Failure to supply safe drinking water due to contaminated raw water resulting in health related issues; serious disruption to services; financial loss; loss of reputation.	Moderate 6	Healthy Waterway Report Card for Drinking Water.	Budget	Budget	30/1/15: 100% (17/11/14: 20%)	30/06/2015	Report card released late 2014.	FRW
328	Fire in FRW buildings resulting in injury to staff; loss of plant and equipment.	Moderate 6	Role out CISCO paging for all FRW sites.	Budget	Budget	30/1/15: 100% (17/11/14: 10%)	30/06/2015	CISCO paging installed.	FRW
329	Failure to plan effectively and establish future requirements for water and sewerage infrastructure resulting in environmental license non-compliances; severely impacted service delivery; additional costs; loss of reputation.	Moderate 6	1. Work with Department of Energy and Water Supply on Raw Water Supply Reliability model. 2. Prepare a regional Water Supply strategy.	Staff	nil	30/1/15: 30% (17/11/14: 20%)	30/06/2015	Barrage storage survey completed 2014. Awaiting Dept of Energy & Water to remodel water supply reliability.	FRW
330	Failure to address general long term planning needs for the community will result in lower quality development, less development overall, continued poor economic and community performance indicators, and lost opportunities in pursuit of achieving elevation of Rockhampton's reputation to an exceptional regional city.	Very High 2	1. (1) Use attrition opportunities to hire new staff with required skill sets. 2. (2) Train existing staff to pursue strategic planning functions. 3. (3) Reduce time devoted to low risk DA and other applications to free more time for strategic and placemaking planning. 4. (4) Continue to liaise with State Govt officers to ease regulatory burden on RRC's capacity for self determination. 5. (5) Pursue all opportunities to educate all sectors of the community on the benefits of quality targeted planning initiatives. 6. (5) Develop partnerships with business and community groups to pursue initiatives of joint benefit.	Budget required as corrective measures identified through budget process.	Performance will be measured by economic and quality of life indicators for the city as a whole.	30/11/15: 100% (17/11/14: 5%)	31/12/2024	This is now considered 100% complete. The treatments listed under the Future Risk Controls have been initially implemented and are now ongoing, so will show next time in the Existing Controls column. This will changed the likelihood rating to C, the Current Risk Rating to High 4 and the Risk Evaluation will then show as ALARP.	Planning / Strategic Planning and Development Compliance
332	Failure to collect revenue results in less funds available and lack of confidence in Council business practices.	High 5	1. Develop process and workflow to facilitate collection. 2. Review with Council re threshold for collection activity.	Can be done with existing resources.	Constraints - age of some overdue payments may make collection difficult.	30/1/15: 90% (17/11/14: 0%)	31/12/2015	0	Planning / Development Assessment
334	Failure to manage hazard conditions and negative impacts on environmental resources will result in increased property damage and loss of environmental functionality and aesthetic amenity which will damage the reputation of Council for management of these services, as well as possible lawsuits for property damage.	Moderate 5	1. Utilize best practices and fact based data to inform Officer recommendations. 2. Enhance training of officers in communication of message.	Within existing resources.	Constraints - turnover of: staff, policy, and decision makers.	30/1/15: 80% (17/11/14: 70%)	31/12/2015	0	Planning

10   NOTICES OF MOTION

Nil

11   URGENT BUSINESS/QUESTIONS

Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting.

12   CLOSED SESSION

In accordance with the provisions of section 275 of the *Local Government Regulation 2012,* a local government may resolve to close a meeting to the public to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

RECOMMENDATION

THAT the meeting be closed to the public to discuss the following items, which are considered confidential in accordance with section 275 of the *Local Government Regulation 2012,* for the reasons indicated.

13.1 Investigation and Legal Matters

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.2 Loss/Theft Items reported to Auditor General - May 2014 to February 2015

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.3 Business Improvement Activity - Action Progress Report

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.4 Update from Chief Executive Officer

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.5 Committee Annual Self-Assessment

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.6 C3 - Separation of Duties - Summary Report

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.7 C2 - Risk Register Content

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.8 E3 - Compliance Review of Internal Audit Function

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.9   Internal Audit Progress Report against Annual Audit Plan

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.10   2013/2014 Financial Results

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.11   Finance Section Update

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.12   Rockhampton Regional Council - Credit Review

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13.13   External Audit Client Strategy for the Year Ending 30 June 2015

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

13   CONFIDENTIAL REPORTS

13.1   INVESTIGATION AND LEGAL MATTERS

File No:	**5207**
Attachments:	**1. Legal Matters - November 2014 to 31 January 2015**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Tracy Sweeney - Manager Workforce and Strategy**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage .

SUMMARY

Manager Workforce and Strategy presenting an update of year to date Investigative Matters and the current Legal Matters as at 31 January 2015.

13.2   LOSS/THEFT ITEMS REPORTED TO AUDITOR GENERAL - MAY 2014 TO FEBRUARY 2015

File No:	3911
Attachments:	1. Loss/Theft Report - 1 May 2014 to 28 February 2015
Authorising Officer:	**Drew Stevenson - Manager Corporate and Technology** **Ross Cheesman - General Manager Corporate Services**
Author:	**Kellie Anderson - Coordinator Property and Insurance**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

Coordinator Property & Insurance reporting on Loss/Theft items including those reported to the Auditor General for the period 1 May 2014 to 28 February 2015.

13.3   BUSINESS IMPROVEMENT ACTIVITY - ACTION PROGRESS REPORT

File No:	5207
Attachments:	1. **Business Improvement Activity - Action Progress Report**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The Business Improvement Activity report is a requirement of the Local Government Regulation and the Internal Audit Standards and is provided for the information and action by the Committee.

13.4   UPDATE FROM CHIEF EXECUTIVE OFFICER

File No:	**5207**
Attachments:	**Nil**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The Chief Executive Officer will provide a verbal update on matters of importance.

13.5 COMMITTEE ANNUAL SELF-ASSESSMENT

File No:	5207
Attachments:	1. **Assessment Questionnaire** 2. **Customer Needs Survey 2015**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The Committee is required to self-assess annually.

13.6   C3 - SEPARATION OF DUTIES - SUMMARY REPORT

File No:	**5207**
Attachments:	**1. Separation of Duties - Summary Report**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The Business Improvement Review for Separation of Duties (Pathway Systems Security) is presented for the information of the Committee.

13.7 C2 - RISK REGISTER CONTENT

File No:	5207
Attachments:	1. **C2 - Risk Register Content Report**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The planned business improvement review for Risk Register is provided for the information of the Committee.

13.8   E3 - COMPLIANCE REVIEW OF INTERNAL AUDIT FUNCTION

File No:	5207
Attachments:	1. **Compliance Review - Internal Audit Function**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The attached Compliance Review of Internal Audit Function report is provided for the information of the Committee.

13.9   INTERNAL AUDIT PROGRESS REPORT AGAINST ANNUAL AUDIT PLAN

File No:	**5207**
Attachments:	**1. Progress of Reviews at 9 March 2015**
Authorising Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**John Wallace - Chief Audit Executive**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The attached report is provided for the information of the Committee on the progress against the Annual Audit Plan. This report is a requirement of the Local Government Regulation.

13.10 2013/2014 FINANCIAL RESULTS

File No:	9509, 8151
Attachments:	1. **2013-2014 Financial Statements**
	2. **Report to Audit & Business Improvement Committee for year ended 30 June 2014 - Deloitte**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Alicia Cutler - Manager Finance**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

Finance Manager presenting the Audited Financial Statements as at 30 June 2014 for committee to be received. The Final Management Letter as well as a report to this committee was circulated to members via email on the 18th December 2014 but is attached again for members to read in conjunction with the Final Statements.

13.11 FINANCE SECTION UPDATE

File No:	**8151**
Attachments:	**Nil**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Alicia Cutler - Manager Finance**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

Finance Manager providing information around the production of Audited Financial Statement preparation and other aspects of Financial Management.

13.12 ROCKHAMPTON REGIONAL COUNCIL - CREDIT REVIEW

File No:	**2114**
Attachments:	**1. Rockhampton Regional Council Credit Review**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Alicia Cutler - Manager Finance**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The results of the Credit Review process by Queensland Treasury Corporation (QTC) on behalf of The Department of Local Government, Community Recovery and Resilience (DLGCRR) has been received and rated Council with a Moderate Rating (Neutral Outlook).

13.13 EXTERNAL AUDIT CLIENT STRATEGY FOR THE YEAR ENDING 30 JUNE 2015

File No:	8151
Attachments:	1. Client Strategy - Rockhampton Regional Council 2015
Authorising Officer:	Ross Cheesman - General Manager Corporate Services
Author:	Alicia Cutler - Manager Finance

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The External Audit Strategy for the year ended 30 June 2015, as supplied by Deloitte's, is provided for Council's consideration.

14   CLOSURE OF MEETING