Published Minutes

Audit And Risk Management Committee Meeting

Tuesday, 10 December 2024

Date:	Tuesday 10 December 2024
Time:	8:30am
Location:	Clem Thompson Sports Pavilion, Stadium Road, Tom Price
Distribution Date:	Friday 13 December 2024

Shire of Ashburton
Audit And Risk Management Committee Meeting

The Chief Executive Officer recommends the endorsement of these minutes at the next Audit And Risk Management Committee Meeting.

Chantelle McGurk

Chantelle McGurk
Acting Chief Executive Officer
13 December 2024

These minutes were confirmed by Council as a true and accurate record of proceedings at the Audit And Risk Management Committee Meeting held on Tuesday, 10 December 2024.

Presiding Member ______________________

Date ______________________

Contents

1 Declaration Of Opening

The Presiding Member declared the meeting open at 8:30am.

1.1 Acknowledgement Of Country

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders past, present and emerging.

2 Announcement Of Visitors

Nil

3 Attendance

3.1 Present

Elected Members:	SP A Smith	Shire President
	Cr K White	Deputy Shire President, Onslow Ward
	Cr R De Pledge	Ashburton-Tablelands Ward
	Cr M Lynch	Tom Price Ward
	Cr A Sullivan	Paraburdoo Ward
Observers:	Cr L Rumble JP	Paraburdoo Ward
	Cr B Healy	Tom Price Ward
	Cr R Kapor	Tom Price Ward
Employees:	C McGurk	Acting Chief Executive Officer
	J Sangster	Deputy Chief Executive Officer
	D Kennedy	Director Corporate Services
	G Harris	Director Infrastructure Services
	M Younger	Manager ICT
	L Milne	ICT Coordinator
	J Bray	Manager Governance
	R Marlborough	Senior Governance Officer
	A Furfaro	Governance Officer
	B Van Rensburg	Council Support Officer

Guests:	Nil
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.
Members of media:	There were no members of the media in attendance at the commencement of the meeting.

3.2 Apologies

Nil

3.3 Approved Leave Of Absence

Nil

4 Declaration By Members

4.1 Due Consideration By Elected Members To The Agenda

Elected Members noted they have given due consideration to all matters contained in this agenda.

4.2 Declaration Of Interest

A member who has an Impartiality, Proximity or Financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice, given to the Chief Executive Officer, prior to the meeting, or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest are disclosed –

Nil

5 Confirmation Of Minutes

5.1 Confirmation Of Previous Minutes

5.1.1 Minutes Of The Audit And Risk Management Committee Meeting Held On 20 August 2024

Committee Decision

Moved **Cr K White**

Seconded **Cr R De Pledge**

That the Minutes of the Audit And Risk Management Committee Meeting held 20 August 2024 (Item 5.1.1 Attachment 1) be confirmed as a true and accurate record.

For: **A Smith, K White, R De Pledge, M Lynch and A Sullivan**

Against: **Nil**

Carried 5/0

6 Public Agenda Items

6.1 Audit Log Status Update

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	W King, Business Transformation Partner
Authorising Officer	J Sangster, Deputy Chief Executive Officer
Previous Meeting Reference	Audit and Risk Management Committee 20 August 2024 - Item 6.1
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Follow-up Internal Audit Report - October 2024 2. Internal Audit Log - November 2024

Report Purpose

Council is required to review the Audit Log actions.

The purpose of this report is to provide Council oversight of the implementation of actions resulting from internal audits and external reviews.

Council is requested to receive the Audit Log status updates.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire.

Internal audits and external reviews are examples of methods Council may use to ensure sound management of the Shire is occurring.

Following the finalisation of an internal audit and/or external review, recommendations are included in the Audit Log to ensure progress is monitored and recorded.

Comments

This report covers the period 3 August 2024 to 27 November 2024.

During this period, evidence against 63 audit items was submitted for verification by the Councils contracted internal auditor Mr Diluka Weerasingha CP, CPA, CIA from LG Care Solutions.

Of those items submitted for verification the Audit and Risk Management Committee is requested to consider the closure of 24 outstanding audit items.

Inclusive of the 39 audit items in progress, 19 ICT items are the subject of a further report authored by the Director of Corporate Services and are recommended for closure as detailed in a Statement of Assurance

<u>Internal Audit</u>

A summary of the progress on the implementation of internal audit recommendations is provided in the following table.

There are 133 audit issues open as of 27 November 2024. Of the 133 items, 24 are recommended for closure (see attachment 1 for full details of proposed closures), 90 items are in progress and 43 items are yet to be commenced.

Internal Audit Topic	Not Started		In Progress		Validated		Total Open		Total Items
	14 Oct	2 Aug	14 Oct	2 Aug	14 Oct	2 Aug	14 Oct	2 Aug	
Review of 2019 FMR	**0**	0	**1**	3	**3**	1	**1**	3	**4**
Procurement [21]	**0**	0	**4**	5	**19**	18	**4**	5	**23**
Risk Management	**3**	3	**12**	12	**4**	4	**15**	15	**19**
Grants Management	**10**	10	**0**	0	**1**	1	**10**	10	**11**
Records Management [21]	**2**	2	**2**	3	**11**	10	**4**	5	**15**
Records Management [22]	**4**	5	**9**	8	**19**	19	**13**	13	**32**
Cyber Security	**0**	0	**15**	20	**8**	3	**15**	20	**23**
Business Continuity, Disaster Recovery and Incident Management	**13**	14	**8**	9	**5**	3	**23**	23	**26**
Contract Management	**0**	0	**6**	7	**11**	10	**6**	7	**17**
Fraud and Corruption	**9**	9	**8**	8	**10**	10	**17**	17	27
Payroll & HR	**0**	0	**6**	6	**2**	0	**6**	6	8
Regulation 17-2023	**1**	1	**10**	14	**18**	0	**11**	14	29
Procurement [24]	**1**	7	**3**	0	**3**	0	**4**	7	7
FMR 2024	**0**	0	**6**	0	**3**	0	**6**	0	9
Totals	**43**	51	**90**	95	**117**	79	**133**	146	250

An internal Financial Management Review was undertaken in February 2024 resulting in an additional nine items being added to audit log.

To progress implementation of outstanding audit items, Moore Australia have been engaged to act as Council internal auditors. Ms Michelle Shafizadeh, of Moore Australia has been engaged to act as Councils internal auditor to assess and validate a further 30 outstanding audit items for closure. It is anticipated these items will be reported on at the next meeting.

Financial Audits

A summary of the progress on the implementation of financial audit recommendations is provided in the following table.

There are 15 issues open across various processes as of 2 August 2024.

Internal Audit Topics	Not Started		In Progress		Validated		Total Open		Total Items
	2 Aug	29 Apr	**2 Aug**	29 Apr	**2 Aug**	29 Apr	**2 Aug**	29 Apr	
Financial – 30 June 2021	**1**	1	**0**	0	**8**	8	**1**	1	**9**
Financial – 30 June 2022	**1**	1	**0**	0	**5**	5	**1**	1	**6**
Financial – 30 June 2023	**5**	5	**0**	0	**0**	0	**5**	5	**5**
IT General Controls 2020-21 & 2021-22	**3**	3	**5**	5	**2**	2	**8**	8	**10**
Totals	**10**	10	**5**	0	**27**	27	**15**	15	**42**

No recommendations have been completed since last reported to the Audit and Risk Management Committee on 20 February 2024. Significant progress has been made on outstanding actions however, until the next external audit is conducted, actions cannot be closed.

Note: Full Audit Log attached (Attachment 1) shows only the actions pending.

Consultation

The relevant officers have provided updates on the outstanding actions.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

<u>Current Financial Year</u>

Nil

<u>Future Financial Year(s)</u>

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee, the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Major (4)	High (10-16)	Implement process improvements as a result of internal audits/external reviews and provide regular progress reporting to the Audit and Risk Management Committee.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log as detailed in Attachment 1.

Committee Decision

Moved **Cr M Lynch**

Seconded **Cr R De Pledge**

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log as detailed in Attachment 1.

For: **A Smith, K White, R De Pledge, M Lynch and A Sullivan**

Against: **Nil**

Carried 5/0

6.2 Review of Council Policy - Risk Management

File Reference	GV20
Applicant or Proponent(s)	Not Applicable
Author	J Bray, Manager Governance
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Ordinary Council Meeting 13 December 2022 - Item 12.5 – 171/2022 Ordinary Council Meeting 18 July 2017 – Item 13.6
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Council Policy - Risk Management (proposed) 2. Council Policy - Risk Management (current)

Report Purpose

It is good governance for Council to regularly review its policies.

The purpose of this report is to provide details of the review of Council Policy – Risk Management that has been undertaken.

Council is requested to adopt the new Council Policy – Risk Management (Attachment 1) which replaces the current policy (Attachment 2) for the reasons set out in this report.

Background

Council's current Risk Management Policy was last reviewed on 13 December 2022.

Effective risk management is fundamental to the organisation achieving its strategic and operational objectives, and it plays an integral role in day-to-day management and decision making at all levels.

The proposal to adopt a new Risk Management Policy was presented to the Audit and Risk Management Committee at its meeting on 18 May 2024. The Committee sought further consultation on the policy proposal before further consideration, and Council at its May Ordinary Meeting resolved as follows.

> *"That with respect to the review of Council Policy – Risk Management, Council defers this item to the next Council briefing session in relation to risk management".*

The proposed Risk Management Policy was circulated to elected members for comment by email on 23 May 2024 to ensure adequate time to review the policy prior to the proposed briefing in August 2024.

Comments

Effective risk management is integral to shaping the strategic direction of the Shire of Ashburton (the Shire) and contributes to evidence-based decision-making and successful objective attainment. Effective risk management can:

- Safeguard the Shire from strategic threats
- Prevent loss of life or injury
- Safeguard the Shire's reputation

- Protect assets and resources
- Ensure delivery of community services meeting expectations
- Minimise legal liabilities
- Prevent disruption to Shire operations
- Prevent financial losses, including theft and fraud
- Ensure timely, budgeted, and quality project delivery.

Risk management enhances the Shire’s performance by identifying and mitigating events/incidents hindering objective achievement. Managing and communicating risks should seamlessly integrate into existing processes and procedures to maximize benefits.

The new Risk Management Policy was developed by the Shire’s risk management consultant, Paladin Risk Management Services. The policy has been formatted into the Shire’s policy template however, is significantly different from the current policy therefore, no track changes are marked up.

The new policy provides comprehensive overarching guidance to Council and staff and is complemented by Risk Management Procedures (under development), collectively forming the Shire’s new Risk Management Framework, which aligns with the AS/NZS ISO 31000:2018 standard.

Following the Council briefing on 20 August 2024, minor amendments to the policy have been made to ensure role clarity and a risk appetite statement has been included. The adoption of the reviewed policy will support the closure of item 30 (review the risk management policy) on the outstanding internal audit log and is the first step required to action item 37 (develop, monitor and report on risk appetite, tolerance and treatment action plans).

The adoption of this new Risk Management Policy is one step in the risk management project to implement an effective risk management function at the Shire. Actions to date and next steps are detailed in the table below.

Date	Action
8 April 2024	Draft Risk Management Policy and plans circulated to Executive Leadership Team (ELT) and Middle Management Group (MMG)
16 April 2024	Risk management training session with Council
17 April 2024	Risk management training session with staff
21 May 2024	Risk Management Policy review considered by the Audit and Risk Management Committee and Council
23 July 2024	Strategic Risk Workshop – Executive Leadership Team
July-August 2024	Enterprise/Operational Risk Workshop/s – Executive Leadership Team, Middle Management Group and selected key staff
20 August 2024	Risk Management Policy and Strategic Risk Workshop – Council
September 2024	Risk Management Policy and Strategic Risks finalised
October-November 2024	Strategic Risk assessments and development of the Strategic Risk Register
December 2024	Strategic Risk Procedure and Register to be circulated to be reviewed by the Executive Leadership Team

January 2025	Strategic Risk Procedure and Register to be circulated to Council
February 2025 (TBC)	Strategic Risk Procedure and Register to be considered by the Audit and Risk Management Committee and Council
March 2025 (TBC)	Enterprise/Operational Risk Procedure and Register to be considered by the Chief Executive Officer/Executive Leadership Team

By ingraining risk management principles into the organisation's culture and decision-making processes, the Shire will be better positioned to anticipate, assess, and respond to risks, ensuring its long-term success.

Consultation

The proposed policy was circulated to the Executive Leadership Team and Middle Management Group for comment and was considered by the Shire's (Audit, Risk and Compliance Improvement Technical Advisory Group) in April 2024.

The policy was provided to all elected members by email on 23 May 2024 and the matter was workshopped with elected members at the August 2024 briefing session. Following the briefing session, the policy was recirculated to elected members on 20 August 2024. No feedback was received.

A further briefing was provided to Council on 15 October 2024 in relation to risk appetite and tolerance.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Council Policies » Shire of Ashburton

The proposed Council Policy – Risk Management (Attachment 1) will replace the current policy (Attachment 2).

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with section 2.7 of the *Local Government Act 1995*, the Council is responsible for determining the local government's policies.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Policy doesn't provide sufficient detail to guide staff.	Possible (3)	Minor (2)	Moderate (5-9)	Adopt the proposed policy.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to the Council Policy – Risk Management, the Audit and Risk Management Committee recommends that Council adopts the new Council Policy – Risk Management as detailed in Attachment 1, which replaces the current policy detailed in Attachment 2.

Committee Decision

Moved **Cr M Lynch**

Seconded **Cr K White**

That with respect to the Council Policy – Risk Management, the Audit and Risk Management Committee recommends that Council adopts the new Council Policy – Risk Management as detailed in Attachment 1, which replaces the current policy detailed in Attachment 2.

For: **A Smith, K White, R De Pledge, M Lynch and A Sullivan**

Against: **Nil**

Carried 5/0

6.3 2025 Audit and Risk Management Committee Meeting Dates

File Reference	CM53
Applicant or Proponent(s)	Not Applicable
Author	B Van Rensburg, Council Support Officer
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Ordinary Council Meeting 12 December 2023 - Item AR.9 – (225/2023)
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Report Purpose

Council is required to set and publish a schedule of meeting dates, times and locations for all committee meetings proposed to be open to the public.

The purpose of this report is to present to the Audit and Risk Management Committee (the Committee) the proposed meeting dates, times, and locations for 2025.

Council is requested to approve the 2025 Committee meeting dates as detailed in this report.

Background

In accordance with section 7.1A of the *Local Government Act 1995* (the Act), the local government must establish an audit committee.

It is a legislative requirement to publish a schedule of committee meeting dates, times, and locations on an annual basis if they are proposed to be open to members of the public, for the following calendar.

Comments

In accordance with the Terms of Reference, the Committee is to develop and agree to the schedule of meetings.

The 2025 Committee meeting dates have been scheduled to coincide with the completion of scheduled audits and legislative requirements such as the adoption of the annual Compliance Audit Return. The meetings will be held in the morning, coinciding with Ordinary Council Meetings. The proposed dates, times and locations are detailed below:

Date	Time	Location
18 February 2025	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price
20 May 2025	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
19 August 2025	8:30am	Ashburton Hall, Ashburton Avenue, Paraburdoo
9 December 2025	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price

To encourage public participation and maintain the Shire's value of openness, the Committee meetings will be open to the public.

It is a legislative requirement to publish a schedule of committee meeting dates, times, and locations on an annual basis if they are proposed to be open to members of the public, for the following calendar year therefore, the meeting details as endorsed by Council, will be published on the Shire's official website.

Consultation

The proposed meeting dates have been prepared in consultation with the elected members, the Deputy Chief Executive Officer and Manager Governance.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

<u>Current Financial Year</u>

Nil

<u>Future Financial Year(s)</u>

Nil

Legislative Implications

Regulation 12(2)(b) of the *Local Government (Administration) Regulations 1996* requires the Chief Executive Officer to publish the meeting details for committee meetings which are intended to be open to the public, on the Shire's official website.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	The local government fails to publish a schedule of dates, location, and times for meetings to be held in the following calendar year.	Unlikely (2)	Minor (2)	Low (1-4)	Adoption of the proposed 2025 Committee meeting dates and ensure appropriate procedures are in place for the publishing of these dates.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to the 2025 Audit and Risk Management Committee Meeting Dates, the Audit and Risk Management Committee recommends that Council, approves the publishing of the dates, times, and locations as outlined below.

Date	Time	Location
18 February 2025	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price
20 May 2025	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
19 August 2025	8:30am	Ashburton Hall, Ashburton Avenue, Paraburdoo
9 December 2025	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow

Committee Decision

Moved **Cr M Lynch**

Seconded **Cr A Sullivan**

That with respect to the 2025 Audit and Risk Management Committee Meeting Dates, the Audit and Risk Management Committee recommends that Council, approves the publishing of the dates, times, and locations as outlined below.

Date	Time	Location
18 February 2025	**8:30am**	**Clem Thompson Sports Pavilion, Stadium Road, Tom Price**
20 May 2025	**8:30am**	**Council Chambers, Onslow Shire Complex, Second Avenue, Onslow**
19 August 2025	**8:30am**	**Ashburton Hall, Ashburton Avenue, Paraburdoo**
9 December 2025	**8:30am**	**Council Chambers, Onslow Shire Complex, Second Avenue, Onslow**

For: **A Smith, K White, R De Pledge, M Lynch and A Sullivan**

Against: **Nil**

Carried 5/0

6.4 Cyber Security - Statement of Assurance to close Moore Australia legacy items

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	D Kennedy, Director Corporate Services
Authorising Officer	K Donohoe, Chief Executive Officer
Previous Meeting Reference	Nil
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Statement of Assurance

Report Purpose

The Audit and Risk Management Committee is requested to consider a Statement of Assurance from the Director Corporate Services regarding the resolution of 20 outstanding items on the Moore Australia internal audit log related to cyber security and information and communications technology (ICT).

The purpose of this report is to demonstrate that subsequent actions taken by the organisation have not only addressed but exceeded the recommendations outlined in the Moore Australia report.

The Audit and Risk Management Committee is therefore requested to approve the closure of the 20 internal audit log actions as detailed in the accompanying Statement of Assurance.

Background

Moore Australia were engaged by the Shire of Ashburton in 2021 and 2022 to complete a range of internal audits. This led to a raft of best practice recommendations being made, which staff at the time made a commitment to implementing.

In terms of cyber security and ICT, there were a total of eight findings and 30 recommendations emanating from the Cyber Security internal audit report dated 1 November 2022.

As explained to Council at the November 2024 Council briefing, the field work for the above audit was completed prior to the end of the 2021/2022 financial year.

At the same time as Moore Australia were completing their report, the Shire was selected by the Office of the Auditor General (OAG) to be one of the first local governments to be subjected to a general computer controls (GCC) audit as part of the annual financial audit process. The objective of the GCC audits is to determine if an entities' computer controls effectively support the preparation of financial statements, the delivery of key services and the confidentiality, integrity and availability of information systems. Well operating controls help protect information systems and information technology environments from data breaches and cyber security threats.

Once selected for a GCC audit, local governments are subjected to annual GCC audits until such time as the OAG deems that GCC controls have reached a satisfactory level.

Comments

For the financial years ended 2021/2022 and 2022/2023, minimal progress was made on addressing the management letter findings raised by the OAG. At the end of 2022/2023 there were eight outstanding findings with two rated as significant and with the potential to impact the overall audit opinion.

Significant work was undertaken during 2023/2024 by the information technology (IT) team to address the outstanding findings. It is pleasing to report that the updated management letter for 2023/2024 shows that six findings have been cleared and the remaining two findings that were previously rated as significant have been downgraded to minor and that they no longer pose a risk to the audit opinion.

At the time of writing this report, officers are waiting to receive confirmation from the OAG that based on the significant improvement in GCC's (including cyber security) that the Shire will not be subjected to a GCC audit in the coming years. This will be confirmed at the audit exit meeting scheduled for the 5 December 2024.

Additional activities:

In addition to satisfactorily providing the audit evidence required to clear the management letter findings the IT team have also engaged Avantgarde Technologies to undertake a comprehensive current state assessment of the entire IT environment. This report which has previously been provided to Council, has been used by the IT team to prioritise further improvements to the Shire's IT infrastructure.

The Moore Australia cyber security findings focused heavily on the Shire developing its own "Cyber Security Framework". Rather than do this, current best practice is to follow the direction of the Australian Cyber Security Centre (ACSC). To that end, the Shire has entered into a partnership with the ACSC and has aligned internal policies, directives, procedures and monitoring to the Essential Eight Cyber Security Framework. This alignment to the Essential Eight framework has been reviewed and endorsed by the OAG as part of the GCC audit process.

Consultation

Cyber Security & Privacy Risk Services Division – RSM Australia (GCC audit)
Australian Cyber Security Centre
Local Government Insurance Services LGIS
Avantgarde Technologies – ICT Audit 2024

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.4 Information systems to aid delivery of services to the community are robust, reliable, and secure
Strategy	1 Provide continuous implementation of improvements in Information and Communication Technology solutions to best support the needs of Councillors, employees and, where appropriate, the community.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Interruption to service	Disruption to services caused by cyber security incident.	Possible (3)	Major (4)	High (10-16)	As detailed the Shire has invested heavily in the last 12 months to mature cyber security preparedness.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be medium.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Cyber Security Statement of Assurance to close Moore Australia legacy items, the Audit and Risk Management Committee recommends that Council approves the closure of internal audit log items 69, 105, 106, 107, 108, 109, 110, 117, 120, 121, 122, 123, 124, 125, 126, 127, 137, 138, 230 and 231.

Committee Decision

Moved **Cr M Lynch**

Seconded **Cr R De Pledge**

That with respect to Cyber Security Statement of Assurance to close Moore Australia legacy items, the Audit and Risk Management Committee recommends that Council approves the closure of internal audit log items 69, 105, 106, 107, 108, 109, 110, 117, 120, 121, 122, 123, 124, 125, 126, 127, 137, 138, 230 and 231.

For: **A Smith, K White, R De Pledge, M Lynch and A Sullivan**

Against: **Nil**

Carried 5/0

7 New Business Of An Urgent Nature Introduced By Council Decision

Nil

8 Next Meeting

The next Audit And Risk Management Committee Meeting will be held at 8:30am on Tuesday 18 February 2025 at Clem Thompson, Sports Pavilion, Tom Price.

9 Closure Of Meeting

There being no further business, the Presiding Member closed the meeting at 8:51am.