

Failure to fulfil Compliance requirements (statutory, regulatory)

Feb-22

Risk Context

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the Local Government Act, Planning & Development Act, Health Act, Building Act, Dog Act, Cat Act, Freedom of Information Act and all other legislative based obligations for Local Government.

It does not include Occupational Safety & Health Act (refer "Inadequate safety and security practices") or any Employment Practices based legislation (refer "Ineffective Employment practices").

Potential causes include:

Lack of training, awareness and knowledge	Lack of Legal Expertise
Staff Turnover	No Compliance Officer or person responsible for Compliance oversight and enforcement
Inadequate record keeping/ failure of corporate electronic systems	Breakdowns in the tender or procurement process
Ineffective policies & processes	Ineffective monitoring of changes to legislation
Impulsive decision making	Attitudinal problems
Councillor turnover	

Controls Assurance

Key Controls	Type	Date	Rating	Control Owner
Compliance Audit Return (DLGC)	Preventative	Mar-22	Adequate	DCEO / GOV
External Auditor reviews (compliance)	Preventative	Feb-21	Adequate	DCEO
Two year Legislative review of compliance (Reg 17)	Preventative	Apr-19	Adequate	CEO
Membership of professional associations (AIBS, Building Commission)	Preventative		Not Rated	
Strict tender and procurement process (including eQuotes)	Preventative	Ongoing	Adequate	DCEO / GOV
Compliance framework / calendar & standard operating procedures	Preventative	Ongoing	Adequate	GOV
Subscriptions (WALGA / DLGC / LGMA and other peak bodies)	Preventative	Ongoing	Adequate	DCEO
Audit Committee	Preventative	Ongoing	Adequate	CEO
Standardised forms & checksheets	Preventative	Ongoing	Effective	DCEO
State Administrative Tribunal / Ombudsman	Recovery		Adequate	DCEO

Overall Control Ratings: Adequate

Actions	Due Date	Responsibility	Status of Actions / Treatments
Two year Legislative review of compliance (Reg 17)	Dec-22	DCEO/CEO	Quotations Requested

Consequence Category	Risk Ratings	Rating	Risk Rating Changed since the last review
Reputation, Financial	Consequence:	Moderate (3)	yes
	Likelihood:	Possible (3)	no
	Overall Risk Ratings:	Moderate	Risk rating trend since last review

Indicators	Type	Benchmark	Result
Audit notifications	Leading		
Increased scrutiny from regulators or agencies	Lagging		
Internal monitoring of operations and procedures	Leading		
Litigation, fines or penalties	Lagging		
Statutory complaints	Lagging		

Comments	Comments