



# Shire of Christmas Island

## Risk Management Framework 2023



<b>Version</b>	<b>Officer</b>	<b>Approved</b>
2018, version 1	Chris Su	November 2018, 97/18
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## Introduction

This Risk Management Framework for the Shire of Christmas Island (“the Shire”) sets out the Shire’s approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on Australia/New Zealand Standard ISO 31000:2009 Risk Management. This framework is one of three documents under Regulation 17.

It is essential that all areas of the Shire adopt these procedures to ensure:

1. Strong corporate governance.
2. Compliance with relevant legislation, regulations and internal policies. Integrated Planning and Reporting requirements are met.
3. Uncertainty and its effects on objectives is understood.

**This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Shire along with existing time, resource and workload pressures.**

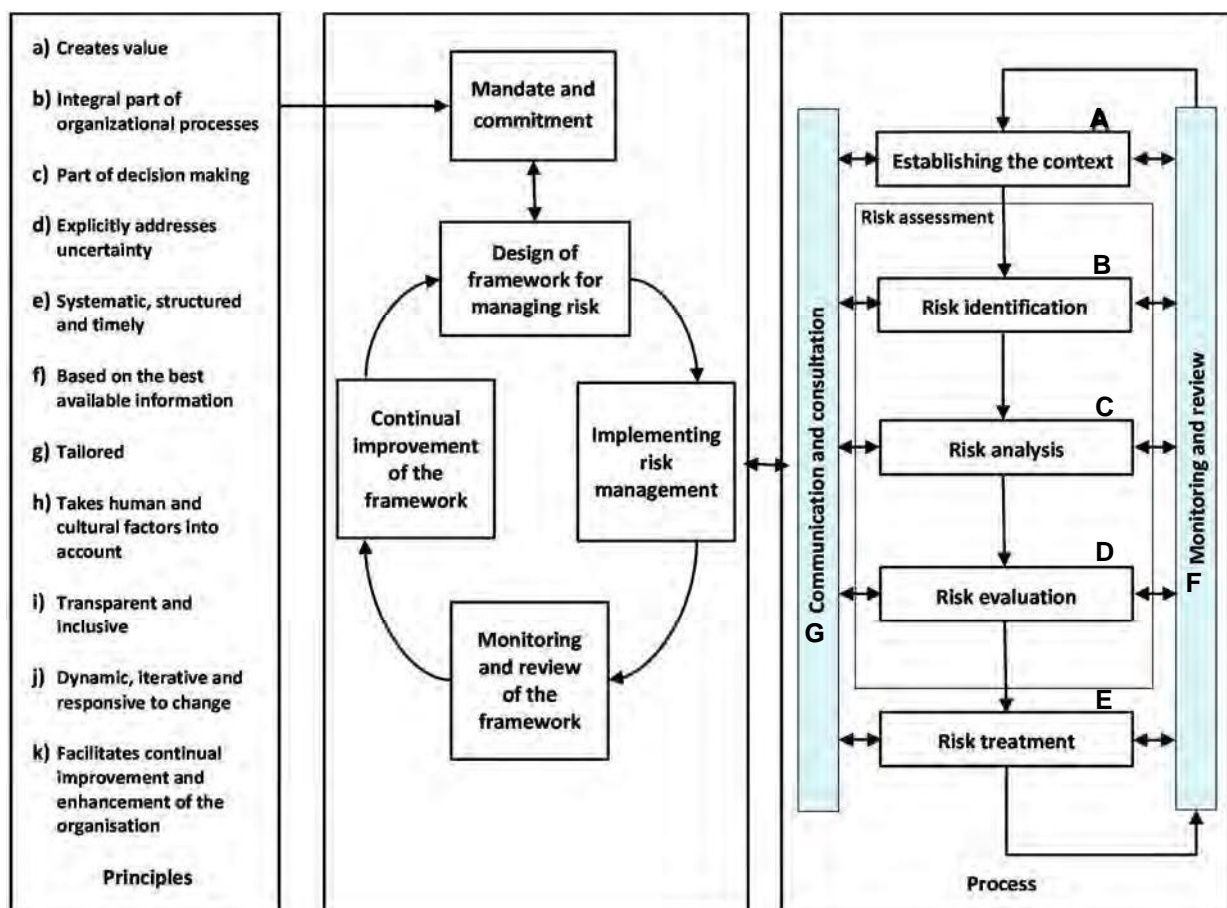


Figure 1: Risk Management Process (Source: AS/NZS 31000:2009)

## **Risk Management Procedures**

### **Governance**

Appropriate governance of risk management within the Shire of Christmas Island (the “Shire”) provides:

1. Transparency of decision making.
2. Clear identification of the roles and responsibilities of risk management functions.
3. An effective Governance Structure to support the risk framework.

### **Framework Review**

The Risk Management Framework is to be reviewed for appropriateness and effectiveness annually by the Governance, Research, Policy and Grants Officer in conjunction with the Managers of the Shire.

### **Operating Model**

The Shire has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, management and community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

### **First Line of Defence**

All operational areas of the Shire are considered ‘**First Line**’. They are responsible for ensuring that risks within their scope of operations are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

1. Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
2. Undertaking adequate analysis (data capture) to support the decision-making process of risk.
3. Prepare risk acceptance proposals where necessary, based on level of residual risk.
4. Retain primary accountability for the ongoing management of their risk and control environment.



## **Second Line of Defence**

The Executive Management Team (**MWS, MRS, MFA, CEO, MCS**) in their capacity as **Risk Committee** supports the second line of defence.

The **Risk Committee** acts as the primary '2nd Line'. This position owns and manages the framework for risk management, drafts and implements governance procedures and provides the necessary tools and training to support the 1st line process. The **CEO** as head of the **Risk Committee** instructs the **Governance, Research, Policy and Grants Officer** to support the **Risk Committee** in this process.

Example, maintenance of the Risk Management Framework is the responsibility of the **Risk Committee**.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1<sup>st</sup> & 3<sup>rd</sup> lines on the risk and control environment.

Support can be provided by additional input 1<sup>st</sup> Line Teams (where applicable).

Additional responsibilities include:

Providing independent oversight of risk matters as required.

Staff involved in school holiday water slide at Post Office Padang might advise supervising staff member on risks associated with crowd control

Monitoring and reporting on emerging risks.

For example, depot team members advising their line managers who in turn advise the MWS on any risks associated with a particular project. 2017 Golf Course Lookout pathway program had an additional risk of isolation from access road which would cause difficulty in taking injured parties to care. Staff mitigated this through rotation of workers to ensure adequate rest was had throughout the day with supplies of water on hand for refreshment.

### Third Line of Defence

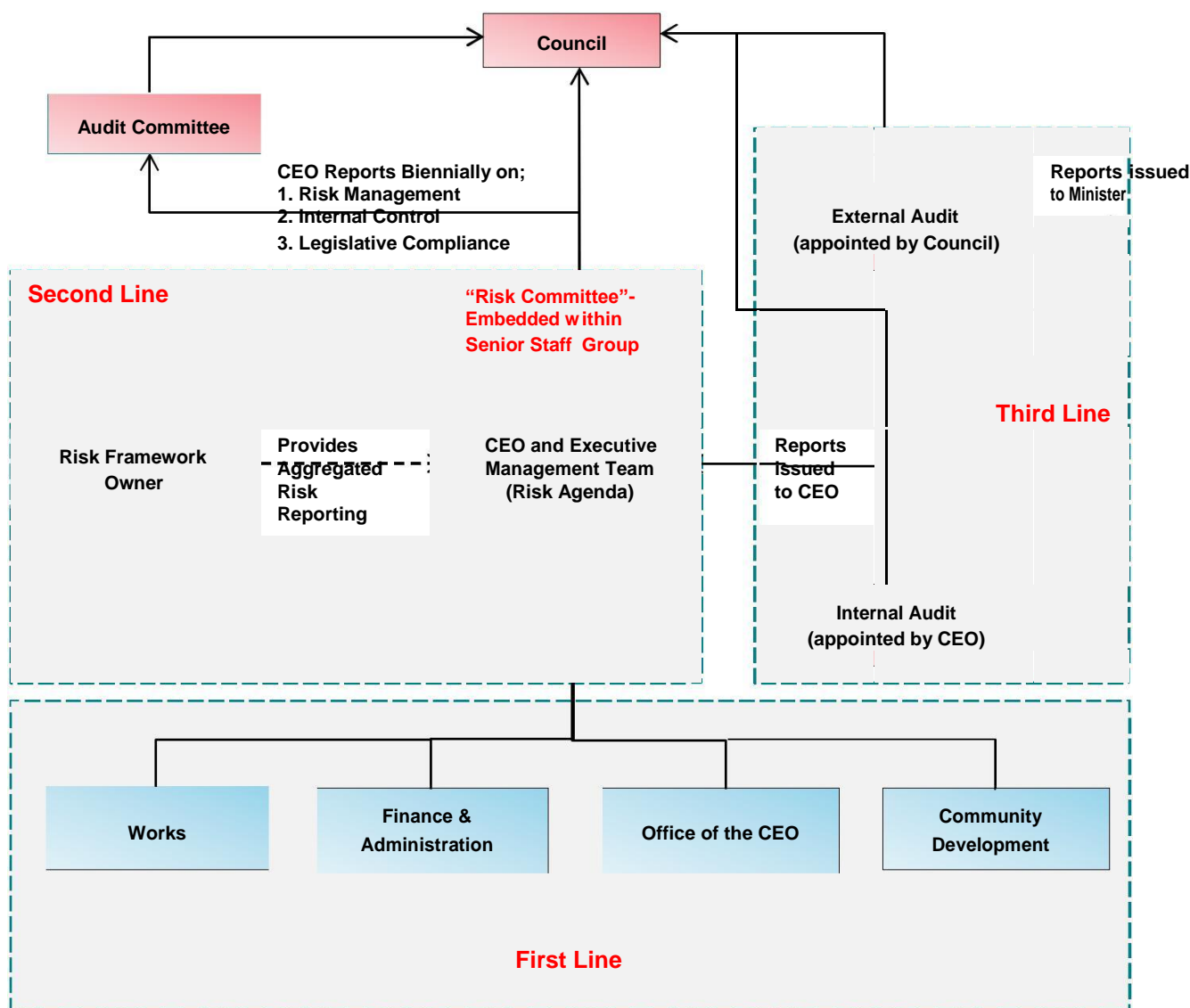
Internal self-audits & External Audits are the ‘3<sup>rd</sup> Line’ of defence, providing assurance to the Council, Audit Committee and Executive Management Team on the effectiveness of business operations and oversight frameworks (1<sup>st</sup> & 2<sup>nd</sup> Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures.

External Audit – Appointed by the Council on the recommendation of the Audit Committee to report independently to the President and CEO on the annual financial statements only.

### **Governance Structure**

The following diagram depicts the current operating structure for risk management within the Shire.



## **Roles & Responsibilities**

### **CEO / Council**

Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.

Appoint / Engage External Auditors to report on financial statements annually.

Establish and maintain an Audit Committee in terms of the Local Government Act.

### **Audit Committee**

Support Council in providing effective corporate governance.

Oversight of all matters that relate to the conduct of External Audits. Independent, objective and autonomous in deliberations.

Recommendations to Council on External Auditor appointments.

### **CEO / Executive Management Team**

Undertake internal Audits as required under Local Government (Audit) regulations. Liaise with Council in relation to risk acceptance requirements.

Approve and review the appropriateness and effectiveness of the Risk Management Framework.

Drive consistent embedding of a risk management culture.

Analyse and discuss emerging risks, issues and trends.

Document decisions and actions arising from risk matters.

Own and manage the risk profiles at a Shire Level.

### **Risk Framework Owner**

Oversee and facilitate the Risk Management Framework.

Support reporting requirements for risk matters.

### **Work Areas**

Drive risk management culture within work areas.

Own, manage and report on specific risk issues as required.

Assist in the Risk & Control Management process as required.

Highlight any emerging risks or issues accordingly.

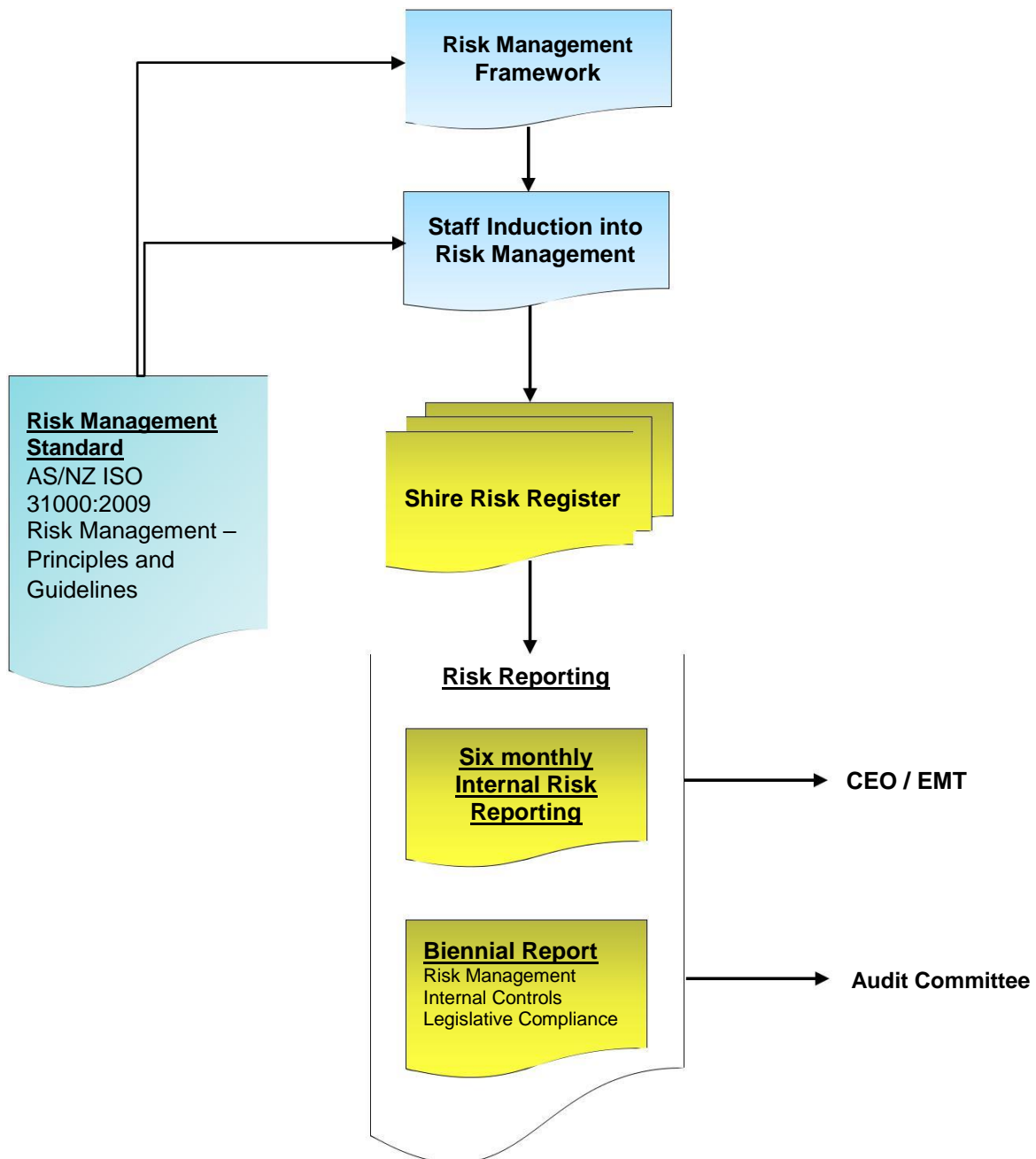
Incorporate 'Risk Management' into Management Meetings, by incorporating the following agenda items;

- New or emerging risks.

- Review existing risks.
- Control adequacy.
- Outstanding issues and actions.

### Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Framework, Staff Induction and supporting documentation and reports.





## Risk & Control Management

All Work Areas of the Shire are required to assess and manage their section's **Risk Register** on an ongoing basis.

The **Risk Register** template is found in Appendix B. Staff are to complete the template for collation within the team. The Manager of that section is responsible for

1. Making the **Risk Register** template easily available to members of their section,
2. Reviewing the **Risk Register** forms given to them and consulting with the staff member for clarity if needed
3. Assessing the appropriate risk management actions are taken to mitigate the risks
4. Updating the **Governance, Research, Policy and Grants Officer** every six months on their sections **Risk Register** for addition to a **Master Risk Register** for the Shire.

### Risk & Control Assessment

To ensure alignment with AS/NZ ISO 31000:2009 Risk Management, the following approach is to be adopted from a Risk & Control Assessment perspective.

#### **A: Establishing the Context**

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed. This forms two elements.

##### **1. Organisational Context**

The Shire's Risk Management Procedures provide the basic information and guidance regarding the organisational context to conduct a risk assessment; this includes Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed. In addition, existing Risk Themes are to be utilised (Appendix C) where possible to assist in the categorisation of related risks.

Any changes or additions to the Risk Themes must be approved by the CEO.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision making processes.

##### **2. Specific Risk Assessment Context**

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process.

For risk assessment purposes the Shire has been divided into three levels of risk assessment context:

###### **1. Strategic Context**

This constitutes the Shire's external environment and high-level direction. Inputs to establishing the strategic risk assessment environment may include;

Organisation's Vision

Stakeholder Analysis

Environment Scan / SWOT Analysis

## Existing Strategies / Objectives / Goals

### 2. Operational Context

The Shire's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its key activities i.e. what is trying to be achieved. Note: these may already be documented in business plans, budgets etc.

### 3. Project Context

Project Risk has two main components:

**Direct** refers to the risks that may arise as a result of project activity (i.e. impacting on current or future process, resources or IT systems) which may prevent the Shire from meeting its objectives

**Indirect** refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

## **B: Risk Identification**

Using the specific risk assessment context as the foundation, and in conjunction with relevant stakeholders, answer the following questions, capture and review the information within each Risk Profile.

What can go wrong? / What are areas of uncertainty? (Risk

Description) How could this risk eventuate? (Potential Causes)

What are the current measurable activities that mitigate this risk from eventuating?  
(Controls)

What are the potential consequential outcomes of the risk eventuating? (Consequences)

## **C: Risk Analysis**

To analyse the risks, the Shire's Risk Assessment and Acceptance Criteria (Appendix A) is applied:

Based on the documented controls, analyse the risk in terms of Existing Control Ratings

Determine relevant consequence categories and rate how bad it could be if the risk eventuated with existing controls in place (Consequence)

Determine how likely it is that the risk will eventuate to the determined level of consequence with existing controls in place (Likelihood)

By combining the measures of consequence and likelihood, determine the risk rating (Level of Risk)

## **D: Risk Evaluation**

The Shire is to verify the risk analysis and make a risk acceptance decision based on:

- Controls Assurance (i.e. are the existing controls in use, effective, documented, up to date and relevant)

- Existing Control Rating

- Level of Risk

- Risk Acceptance Criteria (Appendix

- A) Risk versus Reward / Opportunity

The risk acceptance decision needs to be documented and acceptable risks are then subject to the monitor and review process. Note: Individual Risks or Issues may need to be escalated due to urgency, level of risk or systemic nature.

## **E: Risk Treatment**

For unacceptable risks, determine treatment options that may improve existing controls and/or reduce consequence / likelihood to an acceptable level.

Risk treatments may involve actions such as avoid, share, transfer or reduce the risk with the treatment selection and implementation to be based on;

- Cost versus benefit

- Ease of implementation

- Alignment to organisational values / objectives

Once a treatment has been fully implemented, the Risk Framework Owner is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (Refer to Risk Acceptance section).

## **F: Monitoring & Review**

The Shire is to review all Risk Profiles at least on a six monthly basis or if triggered by one of the following;

- Changes to context,

- A treatment is implemented,

- An incident occurs or due to audit/regulator findings.

The Risk Framework Owner is to monitor the status of risk treatment implementation and report on, if required.

The CEO & Executive Management Team will monitor significant risks and treatment implementation as part of their normal agenda item on a quarterly basis with specific attention given to risks that meet any of the following criteria:

- Risks with a Level of Risk of High or Extreme



Risks with Inadequate Existing Control Rating

Risks with Consequence Rating of Extreme

Risks with Likelihood Rating of Almost Certain

The design and focus of the Risk Summary report will be determined from time to time on the direction of the CEO & Executive Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

### **G: Communication & Consultation**

Throughout the risk management process, stakeholders will be identified, and where relevant, be involved in or informed of outputs from the risk management process.

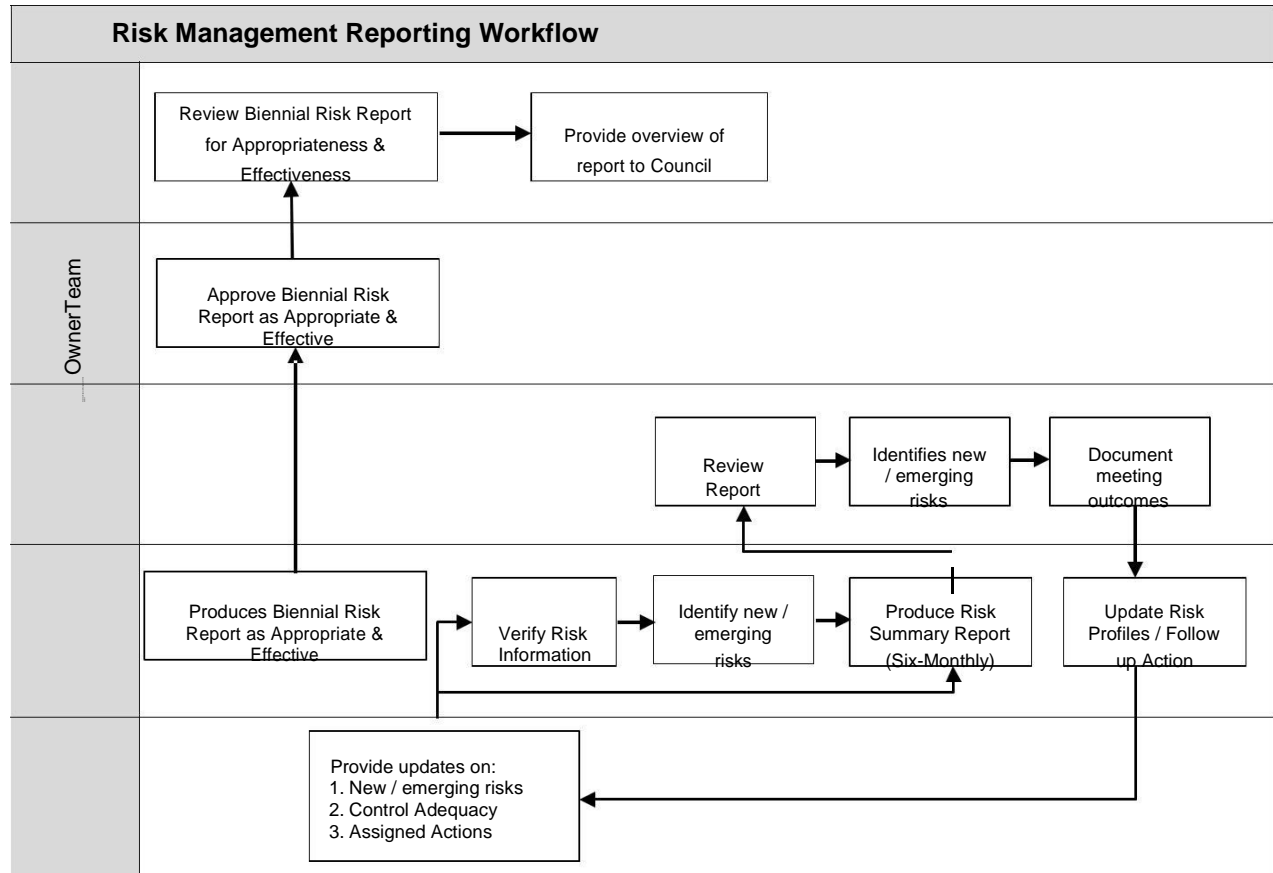
Risk management awareness and training will be provided to staff as part of their OS&H Program.

Risk management will be included within the employee induction process to ensure new employees are introduced to the Shire's risk management culture.

# Reporting Requirements

## Coverage & Frequency

The following diagram provides a high level view of the ongoing reporting process for Risk Management.





Each Work Area is responsible for ensuring:

1. They continually provide updates in relation to new and emerging risks, control effectiveness and indicator performance to their Managers.
2. Work through assigned actions and provide relevant updates to the **Risk Register**
3. Risks / Issues reported to the CEO & Executive Management Team are reflective of the current risk and control environment.

The Manager of each section is responsible for:

1. Ensuring their **Risk Register** for their section is desktop reviewed, at least on a six monthly basis or when there has been a material restructure, change in risk ownership or change in the external environment.
2. Submitting their sections **Risk Register** to the **Governance, Research, Policy and Grants Officer** on a six-monthly basis for addition to **the Master Risk Register** at the Shire.

## Indicators

Indicators are required to be used for monitoring and validating risks and controls. The following describes the process for the creation and reporting of Indicators.

### 1. Identification

The following represent the minimum standards when identifying appropriate Indicator risks and controls:

The risk description and causal factors are fully understood

The Indicator is fully relevant to the risk or control

Predictive Indicators are adopted wherever possible

Indicators provide adequate coverage over monitoring risks and controls

### 2. Validity of Source

In all cases an assessment of the data quality, integrity and frequency must be completed to ensure that the Indicator data is relevant to the risk or control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping Indicators can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the Indicator, the data is required to be revalidated to ensure reporting of the Indicator against a consistent baseline.

### 3. Tolerances

Tolerances are set based on the Shire's Risk Appetite. They may be set and agreed over three levels:

Green – within appetite; no action required.

Amber – the Indicator must be closely monitored and relevant actions set and implemented to bring the measure back within the green tolerance.

Red – outside risk appetite; the Indicator must be escalated to the CEO & Executive Management Team where appropriate management actions are to be set and implemented to bring the measure back within appetite.

### 4. Monitor & Review

All active indicators are updated as per their stated frequency of the data source.

When monitoring and reviewing indicators, the overall trend should be considered over a longer timeframe than individual data movements. The trend of the indicators is specifically used as an input to the risk and control assessment.

## **Risk Acceptance**

Day-to-day operational management decisions are generally managed under the delegated authority framework of the Shire.

Risk Acceptance outside of the appetite framework is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment & Acceptance Criteria) for an extended period of time (generally 3 months or longer).

The following process is designed to provide a framework for those outside appetite framework identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager and cover:

1. A description of the risk.
2. An assessment of the risk (e.g. Impact consequence, materiality, likelihood, working assumptions etc)
3. Details of any mitigating action plans or treatment options in place An estimate of the expected remediation date.

Reasonable action should be taken to mitigate the risk. A lack of budget to remediate a material risk outside of appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (i.e. Executive Management Team)





## Shire Master Risk Register Plan

The **Shire Master Risk Register** compiles all of the risks submitted to the **Governance, Research, Policy and Grants Officer** from the **Managers** over the year.

The **Governance, Research, Policy and Grants Officer** is tasked with liaising with **Managers** to ensure that they have adequate resources to mitigate the risks identified to them, or by them in their section.

The Shire Master Risk Register needs to consider the following components.

1. Consider control coverage across a range of risk themes (where commonality exists).
2. Building profiles around material controls to assist in mitigation of risk
3. Consideration to significant incidents. Nature of operations
4. Additional or existing 2<sup>nd</sup> line assurance information / reviews (e.g. HR, Financial Services) Frequency of monitoring / checks being performed
5. Review and development of Indicators Timetable for assurance activities
6. Reporting requirements
7. Coverage of all risk classes (Strategic, Operational, Project)



# Appendix A – Risk Assessment and Acceptance

# Criteria

## BOX – 1 CONSEQUENCE

Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
<b>Insignificant (1)</b>	Near-Miss or First Aid	Less than \$2,000	No material service interruption -backlog cleared < 6 hours	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential damage.	Contained, reversible impact managed by on site response
<b>Minor (2)</b>	Medical type injuries	\$2,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non-compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
<b>Moderate (3)</b>	Lost time injury >14 Days	\$15,001 - \$200,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
<b>Major (4)</b>	Long-term disability / multiple injuries	\$200,001 - \$500,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
<b>Extreme (5)</b>	Fatality, permanent disability	More than \$500,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact



### BOX 2 – LIKELIHOOD

Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

### BOX 3 - RISK MATRIX

Consequence		Insignificant	Minor	Moderate	Major	Extreme
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)



Risk Rank	Description	Criteria	Responsibility
<b>LOW (1-4)</b>	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
<b>MODERATE (5-9)</b>	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
<b>HIGH (10-16)</b>	Urgent Attention Required	Risk acceptable with excellent controls, managed by executive management and subject to monthly monitoring	CEO
<b>EXTREME (17 -25)</b>	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council



## Appendix B – Risk Register Template

<b>Identified Risk</b>	<b>Date:</b>
<i>What could go wrong?</i>	

<b>Potential Causes</b>
<i>What could cause it to go right / wrong?</i>

<b>Danger Indicators</b>
<i>What are some signs that the risk might occur</i>

<b>Controls in Place</b>	<b>Officer in Charge</b>
<i>What we have in place to prevent it going wrong at the moment (if any)</i>	

<b>Consequence Category (Refer to Box 1 – Consequences)</b>	<b>Likelihood Category (Refer to Box 2 – Likelihood)</b>	<b>Overall Risk Matrix Score: (Refer to Box 3 - Risk Matrix)</b>

<p><b>Based on Risk Matrix Score, who is the Officer in charge of managing Risk</b> (refer to Box4 “Officer Responsible for Managing Risk”)</p>

<b>Staff Member reporting Risk</b>	<b>Date of submission to Manager</b>
Name:	
Signature:	

<b>Manager in receipt of Risk</b>	<b>Date of Submission to Policy officer</b>
Name:	
Signature:	

Policy Officer to confirm in writing to Manager receipt of Risk Register Template and addition to the Master Risk Register

## Appendix C – Risk Theme Definitions

### **Misconduct**

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

1. Relevant authorisations not obtained. Distributing confidential information.
2. Accessing systems and / or applications without correct authority to do so. Misrepresenting data in reports.
3. Theft by an employee
4. Collusion between Internal & External parties

This does not include instances where it was not an intentional breach - refer Errors, Omissions or Delays, or Inaccurate Advice / Information.

### **External theft & fraud (Inc. Cyber Crime)**

Loss of funds, assets, data or unauthorised access, (whether attempts or successful) by external parties, through any means (including electronic), for the purposes of;

1. Fraud – benefit or gain by deceit  
Malicious Damage – hacking, deleting, breaking or reducing the integrity or performance of systems
2. Theft – stealing of data, assets or information (no deceit)

Examples include:

- Scam Invoices
- Cash or other valuables from 'Outstations'.

### **Business & community disruption**

Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal Shire business activities. The event may result in damage to buildings, property, plant & equipment (all assets). This could be a natural disaster, weather event, or an act carried out by an external party (Inc. vandalism). This includes;

1. Lack of (or inadequate) emergency response / business continuity plans.
2. Lack of training to specific individuals or availability of appropriate emergency response. Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
3. Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT & communication systems and infrastructure".

### **Errors, omissions, delays**

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process. This includes instances of;

1. Human errors, incorrect or incomplete processing
2. Inaccurate recording, maintenance, testing and / or reconciliation of data.
3. Errors or inadequacies in model methodology, design, calculation or implementation of models.

This may result in incomplete or inaccurate information. Consequences include;

1. Inaccurate data being used for management decision making and reporting.  
Delays in service to customers
2. Inaccurate data provided to customers. This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".

### **Failure of IT &/or Communications Systems and Infrastructure**

Instability, degradation of performance, or other failure of IT Systems, Infrastructure, Communication or Utility causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked. Examples include failures or disruptions caused by:

1. Hardware &/or Software IT Network
2. Failures of IT Vendors

This also includes where poor governance results in the breakdown of IT maintenance such as;

1. Configuration management Performance Monitoring  
IT Incident, Problem Management & Disaster Recovery Processes

This does not include new system implementations - refer "Inadequate Project / Change Management".

### **Failure to fulfil statutory, regulatory or compliance requirements**

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This could result in fines, penalties, litigation or increase scrutiny from regulators or agencies. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated legal documentation (internal & public domain) to reflect changes.

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

It does include the Local Government Act, Health Act, Building Act, Privacy Act and all other legislative based obligations for Local Government.



### **Providing inaccurate advice / information**

Incomplete, inadequate or inaccuracies in professional advisory activities to customers or internal staff. This could be caused by using unqualified staff, however it does not include instances relating Breach of Authority.

### **Inadequate project / change Management**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

1. Inadequate Change Management Framework to manage and monitor change activities. Inadequate understanding of the impact of project change on the business.
2. Failures in the transition of projects into standard operations. Failure to implement new systems
3. Failures of IT Project Vendors/Contractors

### **Inadequate Document Management Processes**

Failure to adequately capture, store, archive, retrieve, provision and / or disposal of documentation. This includes:

1. Contact lists.
2. Procedural documents.
3. 'Application' proposals/documents.
4. Contracts, Tenders
5. Forms, requests or other documents.

### **Inadequate safety and security practices**

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are:

1. Inadequate Policy, Frameworks, Systems and Structure to prevent the injury of visitors, staff, contractors and/or tenants.
2. Inadequate Organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc).
3. Inadequate security protection measures in place for buildings, depots and other places of work (vehicle, community etc).
4. Public Liability Claims, due to negligence or personal injury.
5. Employee Liability Claims due to negligence or personal injury. Inadequate or unsafe modifications to plant & equipment.

### **Inadequate engagement practices**

Failure to maintain effective working relationships with the Community Stakeholders, Private Sector, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so.

### **Inadequate asset sustainability practices**

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets and their associated lifecycle from procurement to maintenance and ultimate disposal. Areas included in the scope are;

1. Inadequate design (not fit for purpose) Ineffective usage (down time)
2. Outputs not meeting expectations Inadequate maintenance activities.
3. Inadequate financial management and planning.

It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.

### **Inadequate Supplier / Contract Management**

Inadequate management of External Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes.

### **Ineffective management of facilities / venues / events**

Failure to effectively manage the day to day operations of facilities and / or venues. This includes;

1. Inadequate procedures in place to manage the quality or availability.
2. Booking issues
3. Financial interactions with hirers / users
4. Oversight / provision of peripheral services (e.g. cleaning / maintenance)