

LOCAL GOVERNMENT — LOCAL COUNCILS — RISK ASSESSMENT

838. Mr A. Krsticevic to the Minister for Local Government:

- (1) Can the Minister please provide details of which local government councils were classified as low, medium and high risk by the Department of Local Government and Communities, as at:
 - (a) 30 June 2013;
 - (b) 30 June 2014;
 - (c) 30 June 2015;
 - (d) 30 June 2016; and
 - (e) 14 June 2017?
- (2) For each council classified as high risk in the response to (1)(e), what actions have/are the Department of Local Government and Communities taking to mitigate those risks?

Mr D.A. Templeman replied:

- (1) As part of its monitoring of local governments, the Department adopts a risk-based approach to compliance, which targets limited compliance and capacity building resources towards local governments that are viewed as presenting the highest risk.

The risk assessment is based on an evaluation of complex financial and compliance data combined with qualitative evaluation of a range of other factors, such as the level of concern raised with the Department by external parties about governance and probity issues at each local government. It also incorporates the Department's judgement of risk relativities, which take into account factors like the size and/or strategic significance of each local government.

This is the sixth year in which the Risk Profile has been undertaken.

- (a)–(d) [See tabled paper no 505.]
- (e) As the former Department of Local Government and Communities prepared its risk analysis based on the previous year's financial reporting, the 2018 risk analysis (for 2016–17) is not yet complete.
- (2) While the 2018 risk analysis is not yet complete, the Department of Local Government and Communities has commenced talks with the Western Australian Local Government Association and the Local Government Professionals WA to work together to approach high risk local government authorities with offers of mentoring and other forms of assistance to reduce the risk rating.