



# PUBLICATION

## Shire of Ravensthorpe

### 2011 OPERATIONAL AUDIT AND ASSET MANAGEMENT SYSTEM REVIEW

The Economic Regulation Authority today published the 2011 operational audit (**Audit**) and asset management system review (**Review**) report for the Shire of Ravensthorpe.

The Authority is concerned by the process related non-compliances disclosed by the Audit. The Authority is also dissatisfied with the Shire for not having finalised its asset management system, as recommended by the 2008 Audit.

With regards to the Review, the Authority is concerned about the number of asset management process deficiencies disclosed. Of particular concern are the lack of documented risk management methodology, the lack of contingency planning and the overall lack of documented asset management procedures. The Review also disclosed that the majority of the recommendations from the 2008 Review were not completed.

The Authority does not consider the Shire's asset management system to meet the standard of an effective asset management system and does not regard the Shire to have complied with its licence obligation to provide for an asset management system.

The Authority has decided to reduce the period of time until the next Audit and Review from 36 months to 18 months.

The next Audit and Review will cover the period from 1 December 2011 to 31 May 2013, with the report on the Audit and Review to be provided to the Authority by 31 August 2013.

A copy of the Audit and Review report is available on the Authority's [website](#). The post-audit and post-review implementation plans are included in the report.

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